PROPOSED AGENDA
LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT
Board of Trustees' Finance and Audit Committee
November 6, 2023

PUBLIC MEETING

DATE: November 6, 2023

TIME: 3:30 p.m.

PLACE: Online via YouTube

The Agenda and Board meeting documents can be found at https://lvccld.org/board/board-of-trustees-meetings/

The Finance and Audit Committee, comprised of Dr. Keith Rogers, Committee Chair; Kelly Benavidez; Elizabeth Foyt, Kate Turner-Whiteley and Nathanial Waugh, ex-officio, all members of the Las Vegas-Clark County Library District Board of Trustees, will meet to discuss the Fiscal Year 2022-2023 Audit Report.

I. Roll Call

II. Public Comment

Topics raised under this item must be limited to matters on today's Agenda. Commenters should state if they want their remarks included in the minutes of the meeting. If there is no agenda item listed, the person will be called on at the end of the meeting.

The public comment period at library district board meetings shall be limited to a maximum of forty-five (45) minutes for both periods of public comment. Remarks by speakers during the public comment period shall be limited to three (3) minutes each. A speaker may not transfer time to another speaker; although, the chair has the authority to grant additional time to a speaker. When more than fifteen (15) people wish to comment, the chair shall proportionately reduce the time allotted to the forty-five minute maximum.

Anyone wishing to comment via email under this item must send an email to boardcomments@lvccld.org. The email must include the commenter's name, legal address, and the agenda item that is being commented on. Email comments are limited to 500 in words in length and must also identify whether the commenter wants their remarks to be included in the minutes of the meeting. Any comments which do not state the commenter's name, legal address, or exceed 500 words in length shall not be considered.

Any comments which do not identify an agenda item will be read at the end of the meeting.

III. Committee Action to Accept the Proposed Agenda (For possible action.)

IV. New Business

A. Discussion and update on the New Markets Tax Credit Program for construction of the West Las Vegas Library Project. No action will be taken. (For discussion only).

B. Discussion and possible Committee action regarding a recommendation to accept the Fiscal Year 2022-2023 Audit Report and recommend acceptance of the Fiscal Year 2022-2023 Audit at the Board of Trustees' meeting on November 9, 2023. (For possible action).

V. Public Comment

Topics raised under this item cannot be acted upon until the notice provisions of the Open Meeting Law have been met.

Anyone wishing to comment via email during the meeting must send an email to boardcomments@lvccld.org. The email must include the commenter's name, legal address, and this agenda item. Email comments are limited to 500 in words in length and must also identify whether the commenter wants their remarks to be included in the minutes of the meeting. Any comments which do not state the commenter's name, legal address, or exceed 500 words in length shall not be considered.

The public comment period at Library District Board meetings shall be limited to a maximum of forty-five (45) minutes for both periods of public comment. Remarks by speakers during the public comment period shall be limited to three (3) minutes each. A speaker may not transfer time to another speaker; although, the chair has the authority to grant additional time to a speaker. When more than fifteen (15) people wish to comment, the chair shall proportionately reduce the time allotted to the forty-five minute maximum.

VI. Adjournment

NOTE: AT ANY TIME, ANY ITEM ON THIS AGENDA MAY BE TAKEN OUT OF ORDER, COMBINED WITH ONE OR MORE OTHER ITEMS ON THE AGENDA OR REMOVED FROM THE AGENDA, EITHER AT THE DISCRETION OF THE CHAIR OR BY VOTE OF THE BOARD.

NOTE: REASONABLE EFFORTS WILL BE MADE TO ASSIST AND ACCOMMODATE PERSONS WITH PHYSICAL DISABILITIES DESIRING TO ATTEND THE MEETING. PLEASE CALL LOUANN SAMMONS AT (702) 507-6172 SO THAT ARRANGEMENTS FOR ATTENDANCE MAY BE MADE.

NOTE: PLEASE CONTACT LOUANN SAMMONS AT (702) 507-6172 OR sammonsl@lvccld.org TO REQUEST THE SUPPORTING MATERIAL FOR THIS MEETING. SUPPORTING MATERIAL WILL BE MADE AVAILABLE ON THE DAY OF THE MEETING AFTER 12:00 P.M.

Pursuant to NRS 241.020, this item has been properly noticed and posted online at the Las Vegas-Clark County Library District website, www.lvccld.org and at Nevada Public Notice at https://notice.nv.gov. Written notice of the meeting of the Las Vegas-Clark County Library District Board of Trustees was given on Wednesday, October 25, 2023, i.e., given at least three (3) working days before the meeting, including in the notice the time, way to access the meeting, and agenda of the meeting:

A. By delivering a copy of the notice to each Library Trustee;

B. By posting a copy of the notice at the principal office of the Library Trustees, or if there is no principal office, at the building in which the meeting is to be held, and at least three other separate, prominent places within the jurisdiction of the Trustees, to wit:

1. Clark County Library
   1401 E. Flamingo Road
   Las Vegas, NV 89119

2. East Las Vegas Library
   2851 E. Bonanza Road
   Las Vegas, NV 89101

3. Sunrise Library
   5400 Harris Avenue
   Las Vegas, NV 89110

4. West Charleston Library
   6301 W. Charleston Boulevard
   Las Vegas, NV 89146

5. West Las Vegas Library
   951 W. Lake Mead Boulevard
   Las Vegas, NV 89106

6. Windmill Library
   7060 W. Windmill Lane
   Las Vegas, NV 89113

7. Las Vegas-Clark County Library District website
   www.lvccld.org

C. By mailing a copy of the notice to each person, if any, who has requested notice of the meetings of the Las Vegas-Clark County Library District Board of Trustees in the same manner in which notice is requested to be mailed to a member of the Library Board of Trustees.

D. Live Stream Connection Information:

Visit the Library District's YouTube channel:
YouTube.com/TheLibraryDistrict

https://youtube.com/live/ZGpFzKiYstQ?feature=share

ITEM IV.A

AGENDA ITEM

NOVEMBER 6, 2023 MEETING OF THE BOARD OF TRUSTEES' FINANCE AND AUDIT COMMITTEE

Agenda Item #IV.A.:

Discussion and update on the New Markets Tax Credit Program for construction of the West Las Vegas Library Project.

Background:

The Chief Financial Officer and Ryan Kenter, Director, with Crescent Growth Capital, will present updated information regarding the District's current progress with the New Markets Tax Credit Program.

The New Markets Tax Credit Program (the Program) was established as part of the *Community Renewal Tax Relief Act of 2000*. The goal of the Program is to spur revitalization efforts of low-income and impoverished communities across the United States. The Program provides tax credit incentives to investors for equity investments in certified Community Development Entities (CDEs), which invest in low-income communities. A CDE must have a primary mission of investing in low-income communities and persons.

The Treasury Department administers the Program through its Community Development Financial Institution Fund (CDFI Fund). CDEs apply to the CDFI Fund each year not for tax credits directly, but for an award of "allocation authority," which is the authority to raise a certain amount of capital, or Qualified Equity Investments (QEIs) from investors.

The District may receive a net benefit of up to 17% of any allocation received from CDEs, which will be directed toward the construction costs of the new West Las Vegas Library Project. For example, a $10M allocation received from a CDE would generate up to $1.7M (17%) in funds to offset the costs of a qualified project.

Recommended Action:

For Discussion only.

ITEM IV.B

AGENDA ITEM

NOVEMBER 6, 2023 MEETING OF THE BOARD OF TRUSTEES' FINANCE AND AUDIT COMMITTEE

Agenda Item #IV.B.:

Discussion and possible Committee action regarding a recommendation to accept the Fiscal Year 2022-2023 Audit Report and recommend acceptance of the Fiscal Year 2022-2023 Audit at the Board of Trustees' meeting on November 9, 2023. (For possible action)

Background:

At the March 9, 2023 meeting of the Board of Trustees, the Board authorized staff to appoint HintonBurdick, CPAs and Advisors for auditing services for the fiscal year ending June 30, 2023.

Recommended Action:

Motion to accept the Fiscal Year 2022-2023 Audit Report and recommend acceptance of the Fiscal Year 2022-2023 Audit as presented by the auditors at the Board of Trustees' meeting on November 9, 2023.

HINTONBURDICK
CPAs & ADVISORS

Las Vegas-Clark County Library District
Fiscal Year 2023 Audit Presentation

Presented November 6, 2023

By HintonBurdick CPAs & Advisors

HintonBurdick.com

Financial Audit

- "Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, … Misstatements are considered material if there is a substantial likelihood that, individually, or in aggregate, they would influence the judgement made by a reasonable user based on the financial statements."
- We conducted our audit in accordance with
  - auditing standards generally accepted in the United States of America
  - and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States

Financial Audit

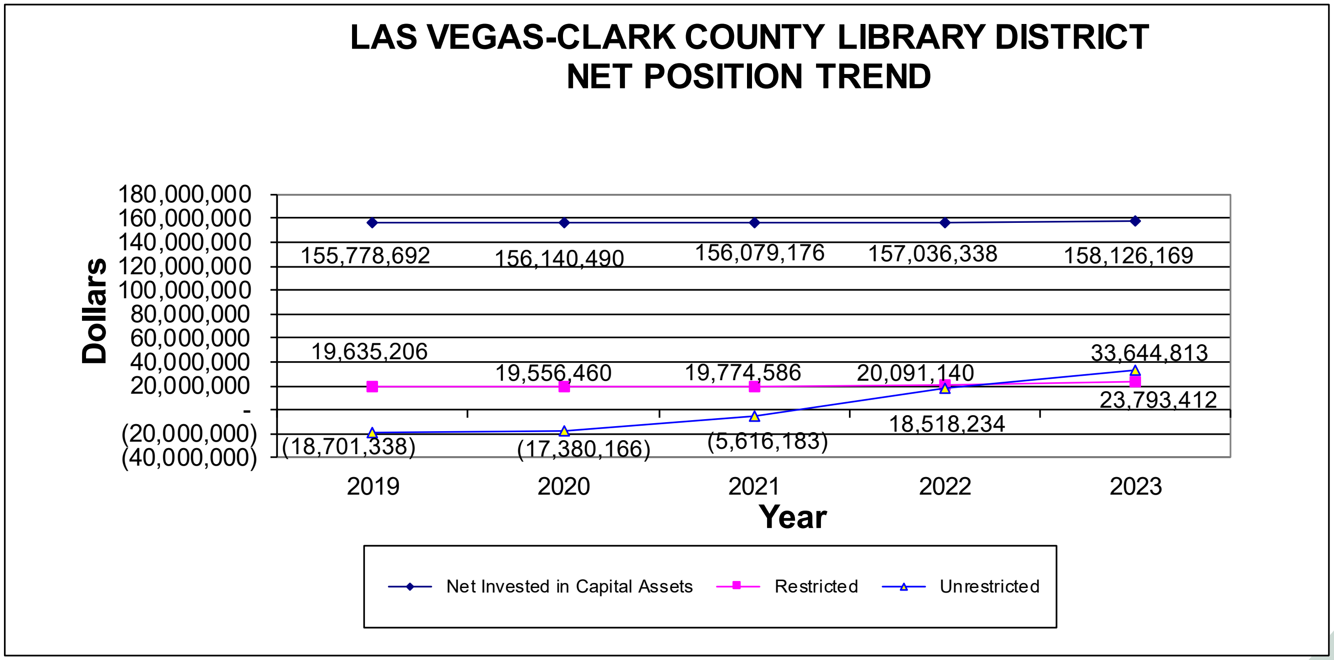
- Internal Controls
  - Understanding
  - Operating effectiveness
- Financial Statements
  - Testing
  - Confirmations
  - Supporting Documentation
  - Analytics
- Findings
  - Communicated to management and to those charged with governance.
  - Material weaknesses and significant deficiencies
  - Other items

Audit Reports

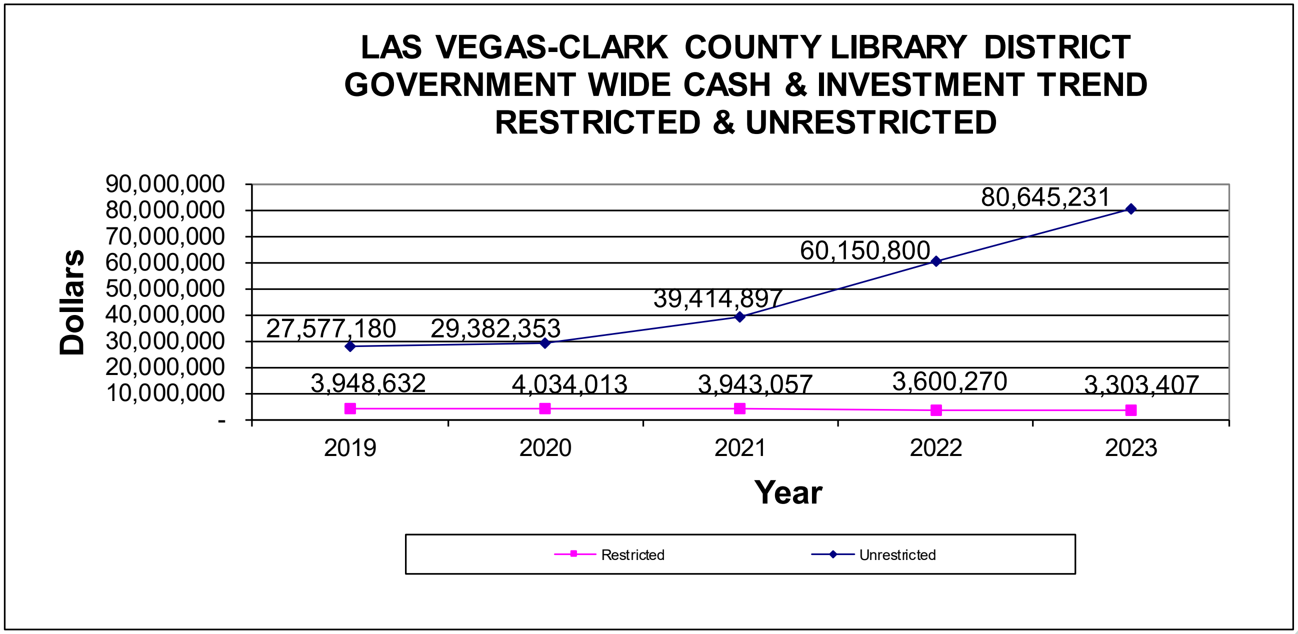
- **Independent Auditors Report (pg. 1-3).**
  - Unmodified or "clean opinion"
- **Report on Compliance and on Internal Control over Financial Reporting (pg. 63-64).**
  - Any material weaknesses and significant deficiencies noted during the audit are listed in this report. No findings for fiscal year 2023.
- **Single Audit Report on Compliance for Major Programs (pg. 65-67).**
  - Unmodified or "clean opinion"

Government Wide Financial Highlights

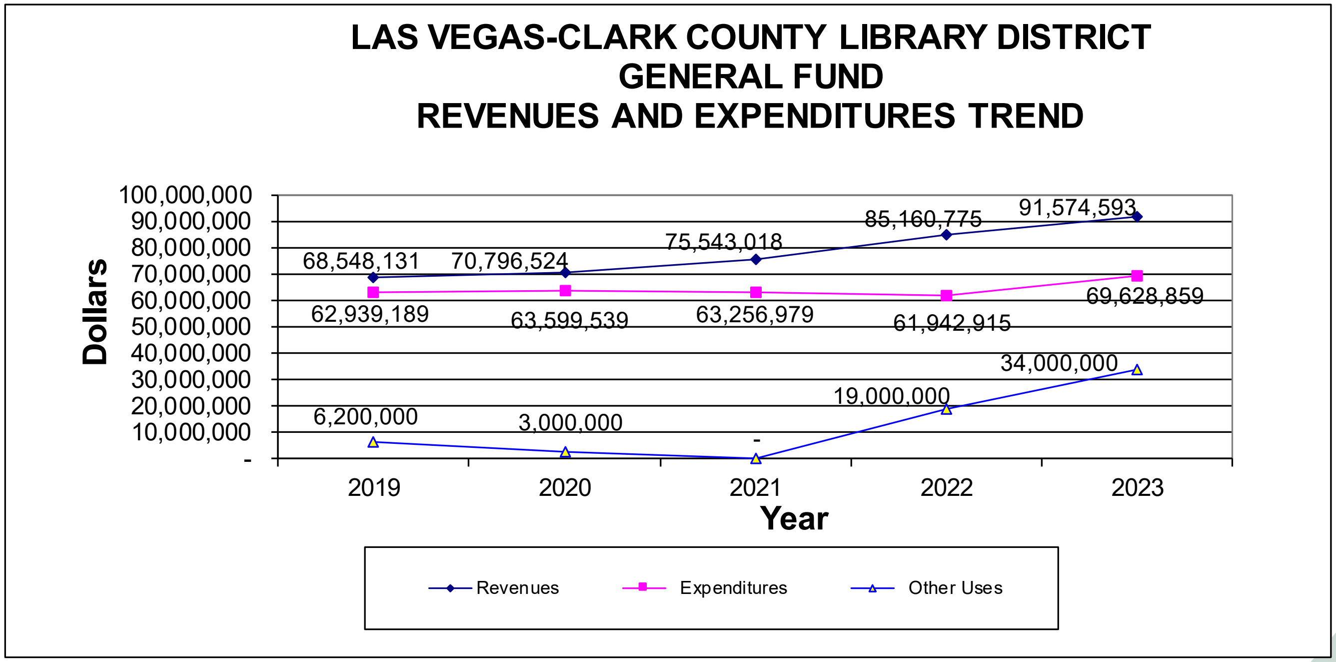
- Total net position (equity) was $215,564,394 at June 30, 2023, (pg. 14).
- Total net position increased by $19,821,637 (pg. 15).
  - Unrestricted net position increased by $15,126,579 from a balance of $18,518,234 to a balance of $33,644,813.
- Classification of Net Position
  - Net invested in Capital Assets $158,126,169
  - Restricted $23,793,412
  - Unrestricted $33,644,813
- Over time, increases or decreases in net position are an indicator of whether the financial health of the District is improving or deteriorating.



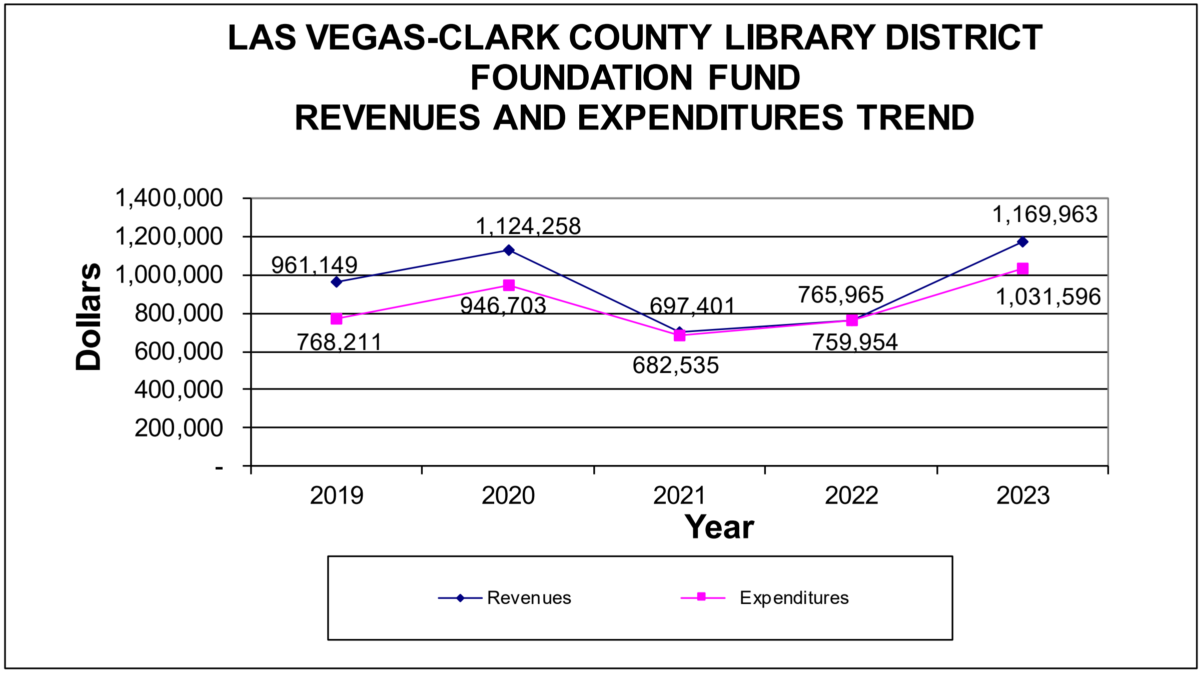
The District has had significant net position balances for three of the last five years. While there was a significant deficit in unrestricted net position beginning in fiscal year 2019, the deficit was reduced each year and switched back to a positive balance in fiscal year 2022.



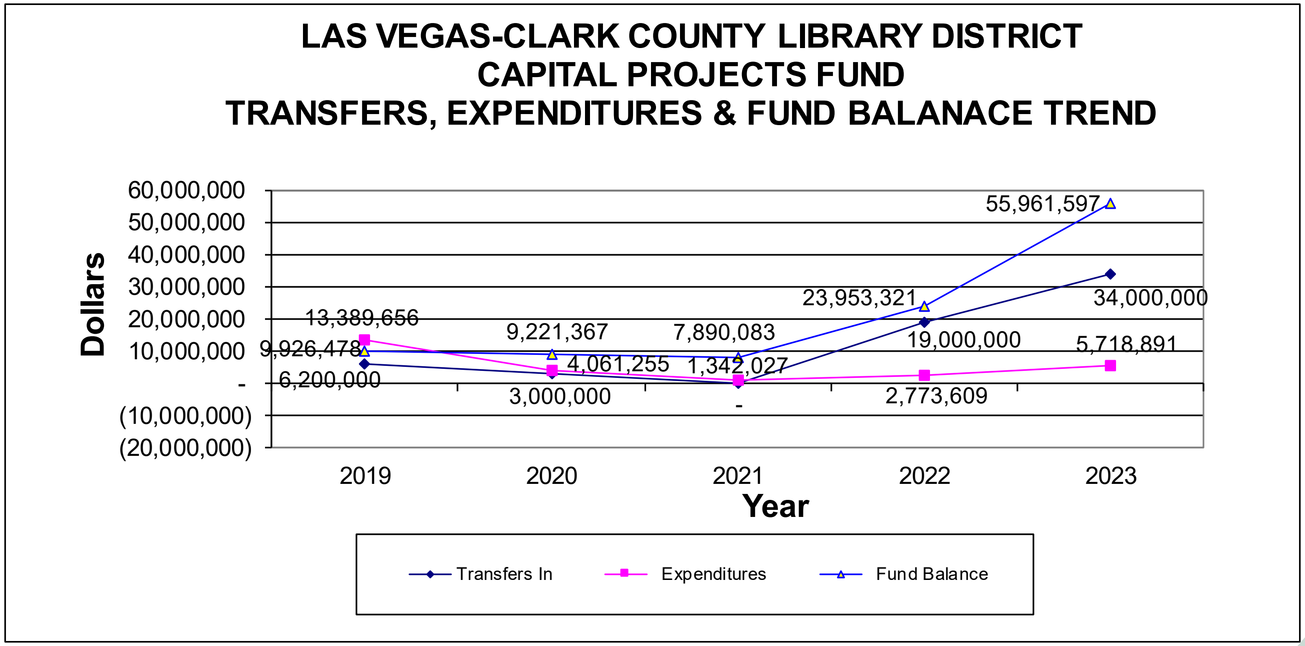
Cash took a decrease in fiscal year 2019, but amounts have been increasing since.



The General fund is normally expected to break even over time. The District's General fund has reported revenues in excess of expenditures (before transfers) in the last five fiscal years.



The Foundation accumulates and provides resources to the District. Its expenses are expected to be reasonably consistent with its revenues in most years.



Funding for the Capital Projects Fund comes primarily as transfers in from the General Fund. As new capital assets are built or acquired there are significant expenditures, so a buildup of resources over time is expected. Large expenditures in one or a few years followed by year's of relatively low expenditures is also common in a capital projects fund.

Questions?

Please contact:

- R. McKay Hall
- Phone: 888-566-1277 x 272
- Email: mhall@hintonburdick.com

or

- Crimson Singleton
- Phone: 888-566-1277 x 449
- Email: csingleton@hintonburdick.com

HINTONBURDICK CPAs & ADVISORS

Thank You!

- Thank you for the opportunity to work with the District.
- An audit can take additional time and effort above and beyond the normal work load, and we want to thank all those who assisted us with this year's audit.

HINTON BURDICK
CPAs & ADVISORS

October 23, 2023

Board of Trustees
Las Vegas-Clark County Library District
Las Vegas, Nevada

We have audited the financial statements of the Las Vegas-Clark County Library District (the District) as of and for the year ended June 30, 2023, and have issued our report thereon dated October 23, 2023. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated July 1, 2023, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the District solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

There were no findings regarding material noncompliance, and other matters noted during our audit. If there were they would be provided in the schedule of findings and questioned costs.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, our firm, and our network firms have complied with all relevant ethical requirements regarding independence.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the District is included in Note 1 to the financial statements. The District changed accounting policies related to the application of subscription-based information technology arrangements accounting and financial reporting requirements by adopting GASB Statement No. 96, Subscription-Based Information Technology Arrangements, in fiscal year 2023. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements are:

> Management's estimate of depreciation expense is based on the assigned depreciation lives. We evaluated key factors and assumptions used to develop the depreciation lives in determining that it is reasonable in relation to the financial statements taken as a whole.
>
> Management's estimate of accrued compensated absences is based on pay rates at year-end and the number of accrued hours for eligible employees. We evaluated the key factors and assumptions used to develop the compensated absences accrual to determine that it is reasonable in relation to the financial statements taken as a whole.
>
> For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, management's estimates have been determined on the same basis as they are reported by the Public Employees' Retirement System of Nevada (PERS). The District's net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The key factors and assumptions used to develop the valuation and the accrual appear reasonable in relation to the financial statements taken as a whole.

Significant Unusual Transactions

For purposes of this communication, professional standards require us to communicate to you significant unusual transactions identified during our audit. There were no significant unusual transactions identified as a result of our audit procedures.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards also require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. Management has corrected all identified misstatements. Uncorrected misstatements or matters underlying those uncorrected misstatements could potentially cause future-period financial statements to be materially misstated, even though the uncorrected misstatements are immaterial to the financial statements currently under audit.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. None of the misstatements identified by us as a result of our audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole or applicable opinion units.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the District's financial statements or the auditors' report. No such disagreements arose during the course of the audit.

Circumstances that Affect the Form and Content of the Auditors' Report

For purposes of this letter, professional standards require that we communicate any circumstances that affect the form and content of our auditors' report. There are no unusual circumstances that affect the form and content of the auditors' report.

Representations Requested from Management

We have requested certain written representations from management, which are included in a separate letter dated October 23, 2023.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the District, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the District's auditors.

Other Information Included in Annual Reports

Pursuant to professional standards, our responsibility as auditors for other information, whether financial or nonfinancial, included in the District's annual reports, does not extend beyond the information identified in the audit report, and we are not required to perform any procedures to corroborate such other information. However, in accordance with such standards, we have:

> We have read the information and considered whether such information, or the manner of its presentation, was materially inconsistent with its presentation in the financial statements.

Our responsibility also includes communicating to you any information which we believe is a material misstatement of fact. Nothing came to our attention that caused us to believe that such information, or its manner of presentation, is materially inconsistent with the information, or manner of its presentation, appearing in the financial statements.

This report is intended solely for the information and use of the governing body and management of the District and is not intended to be and should not be used by anyone other than these specified parties.

HintonBurdick, PLLC

Annual Financial Report

Las Vegas Clark-County Library District

Las Vegas, Nevada

For the Year Ended June 30, 2023

The Library District
Las Vegas-Clark County

Las Vegas Clark-County Library District

Annual Financial Report

For the Year Ended June 30, 2023

Las Vegas Clark-County
Library District Headquarters
7060 West Windmill Lane
Las Vegas, Nevada 89113

Kelvin Watson, Executive Director
Floresto Cabias, Chief Financial Officer

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

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LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

ANNUAL FINANCIAL REPORT
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FOR THE YEAR ENDED JUNE 30, 2023

Financial Section

HINTON BURDICK
CPAs & ADVISORS

Independent Auditors' Report

The Executive Director and Board of Trustees
Las Vegas-Clark County Library District

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Las Vegas-Clark County Library District (the District), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

The District's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for one year after the date that the financial statements are issued or when applicable, one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance, but is not absolute assurance;

and therefore, is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of changes in total OPEB liability and related ratio, the schedule of statutorily required OPEB contribution information, the schedule of the proportionate share of the collective net pension liability information, the schedule of proportionate share of statutorily required pension contribution information, budgetary comparison information, and notes to the required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining statements and individual major and nonmajor fund budgetary comparison schedules and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations*, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining statements and individual major and nonmajor fund budgetary comparison schedules and schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 23, 2023, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering District's internal control over financial reporting and compliance.

HintonBurdick, PLLC
Mesquite, Nevada
October 23, 2023

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Management's Discussion and Analysis

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2023

As management of the Las Vegas-Clark County Library District (the District), we offer readers of the Annual Comprehensive Financial Report this narrative overview and analysis of the financial activities of the District as of and for the fiscal year ended June 30, 2023.

Financial Highlights

Summary of Selected Statement of Net Position Information

	Total Primary Government			
	2023	2022	Change	
Cash and cash equivalents	$ 32,189,036	$ 19,658,646	$ 12,530,390	63.74 %
Investments	51,759,602	44,089,470	7,670,132	17.40 %
Capital and right-to-use assets, net	184,606,290	183,419,830	1,186,460	0.65 %
Bonds and notes payable	26,290,000	26,290,000		%
Compensated absences	7,337,444	6,607,206	730,238	11.05 %
Total postemployment benefits other than pensions liability	1,268,230	1,413,528	(145,298)	(10.28)%
Net pension liability	55,700,597	28,408,876	27,291,721	96.07 %
Net position	215,564,394	195,642,757	19,921,637	10.18 %
Charges for services	1,343,646	1,012,994	330,652	32.64 %
Property taxes	58,262,466	54,388,383	3,874,083	7.12 %
Intergovernmental shared revenues, unrestricted	30,171,434	29,109,435	1,061,999	3.65 %
Total expenses	75,247,262	62,365,205	12,882,057	20.66 %
Change in net position	19,921,637	25,405,178	(5,483,541)	(21.58)%

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances in a manner similar to a private-sector business.

The statement of net position presents information on all of the District's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (*e.g.*, uncollected taxes and earned, but unused vacation leave).

Both of the government-wide financial statements present the governmental activities of the District, which are principally supported by property taxes and intergovernmental revenues.

The government-wide financial statements can be found in the "Basic Financial Statements" section of this report.

(Continued)

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain accounting control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District are categorized as governmental funds. The District does not currently maintain any proprietary or fiduciary funds.

The fund financial statements can be found in the “Basic Financial Statements” section of this report.

Governmental Funds

Governmental funds are essentially used to account for the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, fund financial statements focus on near-term inflows and outflows of expendable resources, as well as on balances of expendable resources available at fiscal year end. Such information may be useful in evaluating the District’s near-term financing requirements.

Because the focus of fund financial statements is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District’s near-term financing decisions. Both the balance sheet and the statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains eight governmental funds. Information is presented separately in the balance sheet and in the statement of revenues, expenditures and changes in fund balances for the general fund, the Las Vegas-Clark County Library District Foundation special revenue fund and the capital projects fund, all of which are considered to be major funds. Data from the remaining non-major governmental funds is combined into a single, aggregated presentation. Individual fund data for each of the non-major governmental funds is provided in the form of combining statements elsewhere in this report.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

The notes to basic financial statements can be found in the “Basic Financial Statements” section of this report.

Required and Other Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. The District adopts an annual appropriated budget for its general fund and a budgetary comparison schedule has been provided to demonstrate the District’s compliance with this budget. This section also includes certain information related to the District’s net pension liability and other postemployment benefit obligation.

The required supplementary information can be found immediately following the notes to the basic financial statements in this report.

The combining statements, referred to earlier in connection with the non-major governmental funds, and individual fund schedules can be found immediately following the required supplementary information in this report.

(Continued)

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2023

Government-wide Financial Analysis

Summary Statement of Net Position

	Governmental Activities and Total Primary Government	
	2023	2022
Assets		
Current, restricted and other	$ 111,406,273	$ 90,762,352
Capital	184,606,290	183,419,830
Total assets	296,012,563	274,182,182
Deferred outflows of resources	19,281,635	16,882,310
Liabilities		
Current	8,340,884	4,639,588
Long-term	87,390,494	62,813,102
Total liabilities	95,731,378	67,452,690
Deferred inflows of resources	3,998,426	27,969,045
Net position		
Net investment in capital assets	158,126,169	157,036,338
Restricted	23,793,412	22,448,735
Unrestricted	33,644,813	16,157,684
Total net position	$ 215,564,394	$ 195,642,757

The District's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by $215,564,394 (net position).

By far, the largest portion of the District's net position (73.4%) is its investment in capital assets (land, buildings, improvements, library media materials, and furniture and equipment), less any related debt used to acquire these assets, which are used to provide services to citizens; consequently, these assets are not available for future expenditures. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

Resources that are subject to external restrictions on how they may be used represent an additional 11.0% of the District's total net position.

(Continued)

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2023

Summary Statement of Changes in Net Position

	Governmental Activities and Total Primary Government 2023	2022
Revenues		
Program revenues		
Charges for services	1,343,646	1,012,994
Operating grants and contributions	2,212,408	2,251,590
General revenues		
Property taxes	58,262,466	54,388,383
Intergovernmental shared revenues, unrestricted	30,171,434	29,109,435
Investment income	1,586,278	(301,590)
Gain on disposal of capital assets	348,756	
Miscellaneous	1,243,911	1,309,571
Total revenues	95,168,899	87,770,383
Expenses		
Culture and recreation	74,943,752	62,065,838
Debt service, interest	303,510	299,367
Total expenses	75,247,262	62,365,205
Change in net position	19,921,637	25,405,178
Net position, beginning of year	195,642,757	170,237,579
Net position, end of year	215,564,394	195,642,757

Governmental Activities

Property taxes increased $3,874,083 or 6.6% and intergovernmental shared revenues, unrestricted, increased $1,061,999 or 3.6% compared to the prior year. The increase in property taxes in Southern Nevada is due to increased property values, which was primarily due to lower supply and higher demand. The increase in intergovernmental shared revenues, unrestricted, was the result of growth in consumer spending.

Culture and recreation expenses increased $12,877,914 or 20.7% from the prior year. This change can be primarily attributed to increases in compensated absences (due to increased accruals and pay rates), and pension expense (due to changes in the actuarial valuation), which were partially offset by normal fluctuations in day-to-day operational activities and the District continuing its conservative spending practices that are designed to provide fiscal stability, but not to adversely affect the provision of library services.

Governmental Fund Financial Analysis

As noted earlier, the District uses fund accounting to better ensure and demonstrate compliance with finance-related legal requirements.

(Continued)

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of expendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the District's net resources available for spending at fiscal year end.

At year end, the District's governmental funds reported combined ending fund balances of $104,150,527, an increase of $20,480,911 (24.5%) from the prior year. Approximately 22.6% ($23,523,198) of the total current year fund balance constitutes unassigned fund balance, which is available for spending at the District's discretion. The remainder of the combined ending fund balances is not available for spending because it has already been restricted or assigned to 1) pay debt service, 2) the acquisition, construction or improvement of capital assets, 3) grant and other programs, or 4) generate income to pay for the purchase of library media materials.

The general fund is the chief operating fund of the District. At year end, the fund balance of the general fund was $23,523,198. As a measure of the general fund's liquidity, it may be useful to compare fund balance to total fund expenditures. Fund balance represents 33.8% of total general fund expenditures.

The fund balance of the District's general fund decreased by $11,862,768 (33.5%) during the current fiscal year. The decrease in fund balance is primarily due transfers to the capital projects fund and increased expenditures, which were partially offset by increases in property taxes and intergovernmental shared revenues. The increase in property taxes in Southern Nevada is due to increased property values, which was primarily due to lower supply and higher demand. The increase in intergovernmental shared revenues, unrestricted, was the result of growth in consumer spending.

The Las Vegas-Clark County Library District Foundation fund has an ending fund balance of $21,765,481, an increase of $138,367 from prior year, due to normal fluctuations in day-to-day operational activities.

The capital projects fund has a total ending fund balance of $55,961,597, an increase of $32,008,276 (133.6%) from the previous fiscal year. This increase was primarily due to transfers from the general fund and proceeds from the disposal of fixed assets, which were partially offset by increased expenditures.

The aggregate non-major funds have a combined total fund balance of $2,900,251, an increase of $197,036 from prior year, due to normal fluctuations in day-to-day operational activities, all of which is either restricted, committed or assigned for specific purposes.

General Fund Budgetary Highlights

Summary of Selected General Fund Budget to Actual Information

	Original Budget	Final Budget	Actual	Variance
Total Revenues	$ 91,058,000	$ 91,058,000	$ 91,574,593	$ 516,593
Total Expenditures	76,195,444	76,195,444	69,628,859	6,566,585
Total Fund Balance	15,183,125	15,183,125	23,523,198	8,340,073

During the year:

Revenues were higher than the final budgetary estimate primarily as a result of increases in property taxes and intergovernmental shared revenues, unrestricted.

Expenditures were less than the final budgetary estimate as a result of the District's conservative spending practices and normal fluctuation in day-to-day operational activities.

(Continued)

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2023

Additional information on the District's general fund budget can be found in Note 2 to the basic financial statements and the required supplementary information immediately following the notes to the basic financial statements in this report.

Capital Assets

	Governmental Activities and Total Primary Government	
	2023	2022
Construction in progress	$ 1,360,082	$
Land	5,706,578	5,706,578
Buildings	99,925,852	105,877,993
Improvements	209,230	350,890
Library media materials	73,821,332	68,695,201
Furniture and equipment	3,370,761	2,696,881
Right-to-use leased building	76,467	92,287
Right-to-use subscription software	135,988	
	$ 184,606,290	$ 183,419,830

Major capital asset events during the fiscal year included the following:

Construction in progress costs of $1,360,082 were incurred for a new West Las Vegas library branch.

Furniture and equipment additions were purchased at a cost of $1,492,870.

The District purchased library media materials, at a cost of $11,547,834.

Right-to-use subscription software was added, as required by Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription-Based Information Technology Arrangements*, at a cost of $191,498.

Depreciation and amortization expense for the fiscal year was $10,538,202.

Additional information on the District's capital assets can be found in Notes 1 and 3 to the basic financial statements in this report.

(Continued)

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2023

Outstanding Debt, Lease and Subscription Software Obligations

At fiscal year end, the District had total bonded debt outstanding of $26,290,000, all of which is backed by the full faith and credit of the District.

Summary of Outstanding Debt, Lease amd Subscription Software Obligations

	Governmental Activities and Total Primary Government	
	2023	2022 (Restated)
Direct placement notes		
LVCIC QLICI – Loan A	$ 11,335,600	$ 11,335,600
LVCIC QLICI – Loan B	5,154,400	5,154,400
Clearinghouse QLICI – Loan A	6,646,000	6,646,000
Clearinghouse QLICI – Loan B	3,154,000	3,154,000
Lease obligations	78,695	93,492
Subscription software	111,426	
	$ 26,480,121	$ 26,383,492

Additional information on the District's long-term debt can be found in Notes 1 and 3 to the basic financial statements in this report.

Economic Factors and Next Year's Budgets and Rates

In 2005, the Nevada State Legislature passed a law to provide property tax relief to all citizens that provides a partial abatement of taxes by applying a 3% cap on the increase in property tax for the owner's primary residence. Only one property may be selected as a primary residence. Some rental dwellings that meet the low-income rent limits may also qualify for a 3% cap on the increase in property taxes. An 8% cap also applies to the increase in taxes for certain other types of property. Property tax revenue is 63.5% of total general fund revenues.

The District's second largest revenue, intergovernmental shared revenues, composed primarily of sales and use taxes, comprise 32.9% of total general fund revenues.

From time-to-time, the State enters into tax abatement agreements with various tax paying entities, which are expected to continue to have an insignificant impact on the District's revenues. Additional information about tax abatement agreements affecting the District is included in Note 2 to the basic financial statements.

As discussed in Note 4 to the basic financial statements, the District implemented several cost saving strategies designed to ensure financial sustainability in response to the COVID-19 pandemic. These strategies continue to successfully provide the District with additional resources to withstand any subsequent financial downturns in the near term. Combined with slowly improving economic conditions in Southern Nevada, these measures allowed the District to resume transferring funds to the Capital Projects Fund, build reserves, and continue spending on critical projects. However, the future impact of the COVID-19 pandemic is unknown and continually evolving. The ultimate long-term impact on the District's financial position and changes therein cannot be determined at this time, but may be substantial.

All of these factors were considered in preparing the District's budget for the 2024 fiscal year.

(Continued)

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2023

Requests for Information

The accompanying financial report is designed to provide a general overview of the District's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the District's Financial Services Department, 7060 West Windmill Lane, Las Vegas, Nevada 89113.

Basic Financial Statements

Government-wide Financial Statements

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

STATEMENT OF NET POSITION
JUNE 30, 2023

	Government Activities
Assets	
Cash and cash equivalents, unrestricted	31,930,833
Investments, unrestricted	48,714,398
Taxes receivable	1,429,710
Notes receivable	17,981,600
Interest receivable	240,698
Other receivables, net	496,974
Due from other governments	5,829,399
Prepaid items	1,375,293
Other assets	103,961
Cash and cash equivalents, restricted	258,203
Investments, restricted	3,045,204
Capital assets, net of accumulated depreciation and amortization	
Construction in progress	1,360,082
Land	5,706,578
Buildings	99,925,852
Improvements	209,230
Library media materials	73,821,332
Furniture and equipment	3,370,761
Collection (Notes 1 and 2)	
Right-to-use leased building	76,467
Right-to-use subscription software	135,988
Total assets	296,012,563
Deferred outflows of resources	
Deferred amounts related to pensions	19,281,635
Liabilities	
Accounts payable	2,595,198
Payroll and benefits payable	2,089,420
Deposits payable	134,520
Unearned revenue	9,583
Interest payable	116,265
Long-term liabilities, due within one year	
Lease liabilities payable	15,285
Subscription software obligations	50,118
Compensated absences	3,330,495
Long-term liabilities, due in more than one year	
Bonds and notes payable	26,290,000
Lease liabilities payable	63,410
Subscription software obligations	61,308
Compensated absences	4,006,949
Total postemployment benefits other than pensions liability	1,268,230
Net pension liability	55,700,597
Total liabilities	95,731,378
Deferred inflows of resources	
Deferred amounts related to pensions	3,998,426

See notes to basic financial statements.

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

STATEMENT OF NET POSITION (CONTINUED)
JUNE 30, 2023

	Government Activities
Net position	
Net investment in capital assets	158,126,169
Restricted for	
Debt service	1,143,761
Grant programs	360,539
Other purposes	22,279,112
Permanent fund principal, nonexpendable	10,000
Unrestricted	33,644,813
Total net position	215,564,394

See notes to basic financial statements.

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023

		Program Revenues			Net (Expenses) Revenues and Change in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Function/program					
Governmental activities					
Culture and recreation	$ 74,943,752	$ 1,343,646	$ 2,212,408	$	$ (71,387,698)
Debt service					
Interest	303,510				(303,510)
Total governmental activities and primary government	75,247,262	1,343,646	2,212,408		(71,691,208)
General revenues					
Property taxes					58,262,466
Intergovernmental shared revenues, unrestricted					30,171,434
Investment income					1,586,278
Gain on disposal of capital assets					348,756
Miscellaneous					1,243,911
Total general revenues					91,612,845
Change in net position					19,921,637
Net position, beginning of year					195,642,757
Net position, end of year					$ 215,564,394

See notes to basic financial statements.

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Fund Financial Statements

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2023

		Special Revenue Fund	Capital Projects Fund		
	General Fund	Las Vegas-Clark County Library District Foundation Fund	Capital Projects Fund	Non-major Governmental Funds	Total Governmental Funds
Assets					
Cash and cash equivalents, unrestricted	$ 14,461,266	$ 500,431	$ 15,097,629	$ 1,871,507	$ 31,930,833
Investments, unrestricted	6,861,347	344,466	41,508,585		48,714,398
Taxes receivable	1,417,092			12,618	1,429,710
Notes receivable		17,981,600			17,981,600
Interest receivable	37,603	63,605	139,490		240,698
Other receivables, net	496,974				496,974
Due from other governments	5,240,663			588,736	5,829,399
Due from other funds	239,638	30,654	1,000	410,788	682,080
Other assets				16,333	16,333
Cash and cash equivalents, restricted		4,982		253,221	258,203
Investments, restricted		3,045,204			3,045,204
Total assets	$ 28,754,583	$ 21,970,942	$ 56,746,704	$ 3,153,203	$ 110,625,432
Liabilities					
Accounts payable	$ 1,713,207	$ 5,195	$ 785,107	$ 91,689	$ 2,595,198
Payroll and benefits payable	2,078,395			11,025	2,089,420
Deposits payable	134,520				134,520
Due to other funds	417,382	136,661		128,037	682,080
Unearned revenue				9,583	9,583
Total liabilities	4,343,504	141,856	785,107	240,334	5,510,801
Deferred inflows of resources					
Unavailable revenue, property taxes	887,881			12,618	900,499
Unavailable revenue, investment income		63,605			63,605
Total deferred inflows of resources	887,881	63,605		12,618	964,104
Total liabilities and deferred inflows of resources	5,231,385	205,461	785,107	252,952	6,474,905
Fund balances					
Nonspendable					
Permanent fund principal				10,000	10,000
Restricted for					
Debt service				1,260,026	1,260,026
Grant programs				360,539	360,539
Other purposes		21,603,129		675,983	22,279,112
Assigned to					
Debt service				593,703	593,703
Capital projects			55,961,597		55,961,597
Other purposes		162,352			162,352
Unassigned	23,523,198				23,523,198
Total fund balances	23,523,198	21,765,481	55,961,597	2,900,251	104,150,527
Total liabilities, deferred inflows of resources and fund balances	$ 28,754,583	$ 21,970,942	$ 56,746,704	$ 3,153,203	$ 110,625,432

See notes to basic financial statements.

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION - GOVERNMENTAL ACTIVITIES JUNE 30, 2023

Fund balances, governmental funds		$ 104,150,527
Amounts reported in the statement of net position are different because:		
Capital assets used in governmental activities are not current financial resources; and therefore, are not reported in governmental funds.		
Capital and right-to-use assets	$ 299,714,371	
Less accumulated depreciation and amortization	(115,108,081)	
		184,606,290
Prepaid items and other assets represent current fund expenditures that benefit future periods; and therefore, are not reported in governmental funds.		
Prepaid items	1,358,960	
Inventory	103,961	
		1,462,921
Deferred inflows and outflows of resources related to postemployment benefits other than pensions and pension obligations reported in governmental activities are not current financial resources; and therefore, are not reported in governmental funds.		
Unamortized deferred outflows related to pensions	19,281,635	
Unamortized deferred inflows related to pensions	(3,998,426)	
		15,283,209
Long-term liabilities, including bonds, notes, lease obligations and subscription software obligations payable, are not due and payable in the current period; and therefore, are not reported in governmental funds.		
Debt, lease and subscription software obligations payable	(26,480,121)	
Compensated absences	(7,337,444)	
Postemployment benefits other than pensions liability	(1,268,230)	
Net pension liability	(55,700,597)	
		(90,786,392)
Other liabilities are not due and payable in the current period; and therefore, are not reported in governmental funds.		
Interest payable	(116,265)	
		(116,265)
Unavailable revenue represents amounts that were not available to fund current expenditures; and therefore, are not reported in governmental funds.		
Unavailable revenue, property taxes	900,499	
Unavailable revenue, investment income	63,605	
		964,104
Net position, governmental activities		$ 215,564,394

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2023

		Special Revenue Fund	Capital Projects Fund		
	General Fund	Las Vegas-Clark County Library District Foundation Fund	Capital Projects Fund	Non-major Governmental Funds	Total Governmental Funds
Revenues					
Property taxes	$ 58,178,706	$	$	$ 18	$ 58,178,724
Intergovernmental shared revenues	30,142,694			1,469,701	31,612,395
Charges for services	1,343,646				1,343,646
Investment income	800,310	284,638	510,789	1,190	1,596,927
Contributions	211,407	539,906		371,766	1,123,079
Miscellaneous	897,830	345,419		432,935	1,676,184
Total revenues	91,574,593	1,169,963	510,789	2,275,610	95,530,955
Expenditures					
Current					
Culture and recreation	58,291,278	1,031,596	2,903,132	1,241,250	63,467,256
Capital outlay					
Culture and recreation	11,235,569		2,815,759	540,957	14,592,285
Debt service					
Principal payments	94,869				94,869
Interest	7,143			296,367	303,510
Total debt service	102,012			296,367	398,379
Total expenditures	69,628,859	1,031,596	5,718,891	2,078,574	78,457,920
Excess (deficiency) of revenues over (under) expenditures	21,945,734	138,367	(5,208,102)	197,036	17,073,035
Other financing sources (uses)					
Subscription software issuance	191,498				191,498
Proceeds from capital asset disposal			3,216,378		3,216,378
Transfers in			34,000,000		34,000,000
Transfers out	(34,000,000)				(34,000,000)
Total other financing sources (uses)	(33,808,502)		37,216,378		3,407,876
Change in fund balance	(11,862,768)	138,367	32,008,276	197,036	20,480,911
Fund balance, beginning of year	35,385,966	21,627,114	23,953,321	2,703,215	83,669,616
Fund balance, end of year	$ 23,523,198	$ 21,765,481	$ 55,961,597	$ 2,900,251	$ 104,150,527

See notes to basic financial statements.

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES - GOVERNMENTAL ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2023

Change in fund balances, governmental funds		$ 20,480,911
Amounts reported in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of capital assets is capitalized and depreciated over their estimated useful lives		
Expenditures for capital and right-to-use assets	$ 14,592,284	
Less current year depreciation and amortization	(10,538,202)	
Gain (loss) on disposal of capital and right-to-use assets	348,756	
Proceeds from sale of capital and right-to-use assets	(3,216,378)	
		1,186,460
Revenues in the statement of activities, which do not provide current financial resources are not reported as revenues in governmental funds.		
Change in unavailable revenue, property taxes	83,742	
Change in unavailable revenue, investment income	(10,649)	
		73,093
Debt proceeds provide current financial resources to governmental funds, but issuing debt increases liabilities in the statement of net position. Repayment of debt principal is an expenditure in governmental funds, but the repayment reduces liabilities in the statement of net position. This is the amount by which debt issued exceeded repayments		
Subscription software obligations incurred	(191,498)	
Debt, lease and subscription software principal repayments	94,869	
		(96,629)
Some expenses reported in the statement of activities do not require the use of current financial resources; and therefore, are not reported as expenditures in governmental funds.		
Change in compensated absences payable	(730,238)	
Change in postemployment benefits other than pensions liability and related balances	145,298	
Change in net pension liability and related balances	(921,777)	
		(1,506,717)
Some expenditures reported in governmental funds benefit a future period; and therefore, are not reported in the statement of activities.		
Change in prepaid items	(173,254)	
Change in inventory	(42,227)	
		(215,481)
Change in net position, governmental activities		$ 19,921,637

See notes to basic financial statements.

Notes to Basic Financial Statements

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

Note 1. Summary of Significant Accounting Policies

The financial statements of the Las Vegas-Clark County Library District (the District) have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. A summary of the more significant accounting policies consistently applied in the preparation of the accompanying financial statements follows.

Reporting Entity

The District was established in 1985 under the provisions of Chapter 379 of the Nevada Revised Statutes (NRS) and serves all persons living in Clark County, Nevada (the County), except for those living in the incorporated area of North Las Vegas and the library districts of Henderson and Boulder City, Nevada. The District is governed by a Board of Trustees (the Board), which consists of ten members, five appointed by the Board of County Commissioners and five appointed by the Las Vegas City Council, all of whom have staggered terms of office and may be removed for cause at any time. The accompanying basic financial statements present the financial position of the District and its blended component units for which the District is considered to be financially accountable. Blended component units, although legally separate entities, are in substance, part of the District's operations.

Governmental Accounting Standards Board (GASB) Statement No. 14, The Financial Reporting Entity, as amended, defines the reporting entity as the primary government and those component units for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Financial accountability is defined as the appointment of a voting majority of the organization's governing board and either the ability of the primary government to impose its will on the organization or the possibility that the organization will provide a financial benefit to or impose a financial burden on the primary government. In addition to financial accountability, component units can be other organizations in which the economic resources received or held by that organization are entirely or almost entirely for the direct benefit of the primary government, the primary government is entitled to or has the ability to otherwise access a majority of the economic resources received or held by that organization and the resources to which the primary government is entitled or has the ability to otherwise access are significant to the primary government.

The District has complied with GASB Statement No. 14, as amended, by examining its position relative to the County and the City of Las Vegas (the City) and determined that there are no requirements that would cause the basic financial statements of the District to be included in either of the entities' annual comprehensive financial reports (ACFR). The financial information of the component units, discussed below, is blended with the District's financial information and presented in the District's financial reports because of the significance of their operations and financial relationship with the District, District management has operational (accounting) responsibility for these entities or because the District's Board appoints a voting majority of the component unit's governing body.

Blended Component Units

The Las Vegas-Clark County Library District Foundation, Inc. (the Foundation), a Nevada Non-Profit Corporation, was formed in 2002 for the exclusive purpose of providing the District with aid, support, and assistance in the promotion, growth, and improvement of the District.

(Continued)

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2023

During the year ended June 30, 2018, the Foundation entered into several transactions in order to make additional funds available to it through the New Markets Tax Credit (NMTC) Program. The NMTC Program permits taxpayers to claim, over a seven-year period, a credit against federal income taxes for Qualified Equity Investments (QEIs) in designated Community Development Entities (CDEs). These designated CDEs must use substantially all of the proceeds to make Qualified Low-Income Community Investments (QLICIs).

The QALICB fund is comprised of East Las Vegas QALICB, Inc. (ELV) and Mesquite QALICB, Inc. (MQ), which were formed as Nevada Non-Profit Corporations on June 28, 2017 and October 12, 2017, respectively, for the exclusive benefit of the District.

The purpose of the QALICB fund is to hold title to property, complete construction of the East Las Vegas and Mesquite libraries facilities, and lease said property and buildings to the District. The entities within the QALICB fund are operated in such a way that they both qualify as a Qualified Active Low-Income Community Business (QALICB) under the definition of the NMTC Program and Internal Revenue Code (IRC) §45(d).

The Foundation, ELV, and MQ each prepare separate stand-alone financial statements that can be obtained from the District's Financial Services Department, 7060 West Windmill Lane, Las Vegas, Nevada, 89113.

Basic Financial Statements

The government-wide financial statements include a statement of net position and a statement of activities and present consolidated information for the District's activities, which are comprised solely of governmental activities, accounted for in governmental fund types. The District does not currently maintain any proprietary or fiduciary fund types. The effect of interfund activity has been removed from these statements.

Included in the statement of net position are capital assets and long-term liabilities including general obligation bonds, employee benefit and pension obligations, and compensated absences. Net position is classified as 1) net investment in capital assets, 2) restricted, or 3) unrestricted.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions, which are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other revenues not restricted for use by a particular function or segment are reported as general revenues.

Separate fund financial statements are provided with each major individual governmental fund reported in a separate column. Fund financial statements include a balance sheet and a statement of revenues, expenditures and changes in fund balances. Schedules are presented to reconcile fund balances presented in the fund financial statements to net position presented in the government-wide financial statements.

(Continued)

Measurement Focus, Basis of Accounting and Financial Statement Presentation

Government-Wide Financial Statements

The government-wide financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental Fund Financial Statements

The fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized in the accounting period in which they become both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the current fiscal year end.

The primary revenue sources, which have been treated as susceptible to accrual by the District, are property taxes, intergovernmental consolidated taxes, grants, and interest. All other revenue sources are considered to be measurable and available only when cash is received by the District.

Expenditures generally are recorded when the liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, obligations for pensions and other postemployment benefits, and claims and judgments are recorded only when payment is due.

The District classifies and reports the following as major governmental funds:

General Fund – The general fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

Las Vegas-Clark County Library District Foundation Fund – This special revenue fund accounts for contributions that are to be used to provide the District with aid, support, and assistance in the promotion, growth, and improvement of the District.

Capital Projects Fund - Accounts for financial resources that are restricted, committed or assigned to the improvement, acquisition or construction of capital assets.

Additionally, the District reports the following non-major governmental fund types:

Special Revenue Funds – The special revenue funds are used to account for the proceeds of specific revenue sources that are restricted, committed or assigned to expenditures for specific purposes (other than capital projects and debt service).

Debt Service Fund – The debt service fund is used to account for the accumulation of resources for and the payment of general long-term debt principal, interest and related costs.

Permanent Fund – The permanent fund accounts for financial resources that are legally restricted to the extent that only earnings, and not principal, may be used to support the District's programs.

(Continued)

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2023

The District has no nongovernmental fund types.

Assets and Liabilities

Cash, Cash Equivalents and Investments

The District's cash equivalents are considered to be short-term investments with original maturities of three months or less from the date of acquisition.

Investments are stated at fair value regardless of the length of time remaining to maturity.

Restricted Assets

Financial resources that are legally restricted to pay debt service, finance construction projects or to the extent that only earnings, and not principal, may be used are reported as restricted assets in both the government-wide and fund financial statements.

Receivables, Payables and Unavailable or Unearned Revenues

Upon the certification of tax rates by the State of Nevada (the State) Tax Commission, the County Commission levies the tax rate for the fiscal period beginning with the succeeding July 1. Effective upon the tax levy on July 1 each year, a perpetual lien is recorded against the property assessed until the tax and any penalty charges and interest, which may accrue thereon, are paid. The County Assessor assesses all real and personal property and the County Treasurer bills and collects the District's share of property taxes. Real property taxes are due on the third Monday in August of each year and may be paid in quarterly installments on or before the third Monday in August and first Mondays in October, January and March. In the event of nonpayment, the County Treasurer is authorized to hold the property for two years, subject to redemption upon payment of taxes, penalties and costs, together with interest from the date the taxes were due until paid. If delinquent taxes are not paid within the two-year redemption period, the County Treasurer obtains a deed to the property free of all encumbrances. Upon receipt of a deed, the County Treasurer may sell the property to satisfy the tax lien. The County Treasurer remits on a monthly basis current and delinquent property tax collections to the District.

Notes receivables are due to the Foundation as a result of transactions related to the NMTC Program. The first note in the face amount of $11,335,600, bears interest at 1.0% per annum, is payable in annual interest only payments through July 26, 2024, and annual principal and interest payments thereafter through July 25, 2045. The second note in the face amount of $6,646,000, bears interest at 1.474% per annum, is payable in quarterly interest only payments through September 15, 2024, and quarterly principal and interest payments thereafter through December 19, 2043.

During the course of operations, individual funds engage in numerous transactions with one another for goods provided or services rendered. The resulting payables and receivables that are outstanding at year end are reported as due to/from other funds. Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed.

Receivables that are not expected to be collected within 60 days of year end are classified as unavailable revenue in the fund financial statements, rather than current revenue, since the asset is not available to satisfy current obligations.

Unearned revenues arise when the District receives resources before it has a legal claim to them such as when property taxes for the following tax year are received before year end. Other receivables are shown net of an allowance for uncollectible amounts.

(Continued)

Prepaid Items and Inventory

Certain payments to vendors reflect costs applicable to future periods. In the governmental fund financial statements, these payments are recorded as expenditures when purchased rather than when consumed and are reported as prepaid items in the entity-wide financial statements.

Inventory is comprised solely of books and other library materials. In the governmental fund financial statements, inventory is recorded as expenditures when purchased rather than when consumed and is reported as library media materials in the entity-wide financial statements.

Capital Assets

Capital assets are reported only in the government-wide financial statements. These assets include land, buildings, library media materials, furniture and equipment, and construction in progress. All purchased capital assets are valued at cost where historical records are available and, where no historical records exist, at estimated historical cost. Donated capital assets are valued at their estimated acquisition value on the date received. The District has a capitalization threshold of $5,000.

The District reports the following types of right-to-use capital assets:

Leased right-to-use capital assets – Under the lease terms, the District makes monthly payments in exchange for control of, and the right-to-use, a specified asset. This lease expires in April 2028. The assets and related liabilities are recognized at the present value of the expected future minimum lease payments to be paid during the lease term using the District's incremental borrowing rate as of the required implementation date or subsequent lease inception date currently ranging from 3.25% to 4.38%.

Subscription software right-to-use capital assets – Under the contract agreement terms, the District makes monthly payments in exchange for control of, and the right-to-use, a specified asset. These contracts expire at various times through June 2026. The assets and related liabilities are recognized at the present value of the expected future minimum contract payments to be paid during the contract term using the District's incremental borrowing rate as of the required implementation date or subsequent lease inception date currently ranging from 3.25% to 4.38%.

The cost of normal maintenance and repairs that do not significantly increase the functionality of the assets or materially extend the assets' lives are not capitalized. Major outlays for capital assets and improvements are capitalized as the projects are constructed.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

	Years
Buildings	5-50
Improvements	5-50
Library media materials	5
Furniture and equipment	5-20
Right-to-use leased building	7-8
Right-to-use subscription software	5-8

(Continued)

Collection

The District's collection (Note 2), was acquired through a combination of purchases and contributions and is not recognized as an asset on the statement of net position. Furthermore, revenue for contributed collection items is not reflected on the statement of revenues, expenditures and changes in fund balances.

Compensated Absences

It is the District's policy to permit employees to accumulate earned vacation and sick leave benefits that would be paid to them upon separation from District service if not previously taken. Accrued vacation and sick leave are reported in the government-wide financial statements. A liability for compensated absences is reported in the fund financial statements only to the extent that payment is due, for example, as a result of employee resignations and retirements prior to year-end. Expenditures for compensated absences are recognized by the applicable fund when paid.

Long-term Obligations

In the government-wide financial statements, long-term obligations are reported as liabilities, net of unamortized bond premiums in the statement of net position. Bond premiums are deferred and amortized over the life of the related bonds using the effective interest method.

In the fund financial statements, bond premiums and issuance costs are recognized during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Multiple-Employer, Cost-Sharing Defined Benefit Pension Plan

The District uses the same basis used in the Public Employees Retirement System of Nevada's (PERS) Annual Comprehensive Financial Report, for reporting its proportionate share of the PERS collective net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense, including information related to PERS fiduciary net position. Benefit payments (including refunds of employee contributions) are recognized by PERS when due and payable in accordance with the benefit terms. PERS investments are reported at fair value.

Postemployment Benefits Other Than Pensions (OPEB)

The District recognizes benefit payments when due and payable in accordance with the benefit terms for the purpose of measuring its total OPEB liability, deferred outflows of resources and deferred inflow of resources related to OPEB and OPEB expense. OPEB investments are reported at estimated fair value.

Deferred Outflows and Inflows of Resources

Deferred outflows of resources represents a consumption of net assets that applies to future periods; and therefore, will not be recognized as an outflow of resources (expense/expenditure) until then. Amounts related to the multiple-employer, cost-sharing defined benefit pension plan are reported as deferred outflows of resources.

Deferred inflows of resources represents a consumption of net assets that applies to future periods; and therefore, will not be recognized as an inflow of resources (revenue) until that time. Amounts related to the multiple-employer, cost-sharing defined benefit pension plan are reported as deferred inflows of resources.

(Continued)

Deferred Compensation Plan

In addition to the postemployment benefits other than pension (OPEB) plan, discussed above, the District offers its employees a deferred compensation (postemployment benefit) plan created in accordance with Internal Revenue Code Section 457. This plan, which is available to all District employees, permits participants to defer a portion of their salary/wages until future years. The deferred compensation is not available to employees until termination, retirement, death, or an unforeseeable emergency.

The assets and a liability related to this plan are not reported in the government-wide or fund financial statements, because:

The deferred compensation plan is administered by an independent third-party and the District does not appoint any members of the deferred compensation plan's governing body or otherwise exercise any control over it.

Contributions are comprised solely of employee discretionary amounts. The District does not contribute to the deferred compensation plan.

Each employee determines if they want to participate, how much they want to contribute (which may be changed at any time) and controls investment decisions by selecting from a range of investment options offered by the third-party administrator.

The assets of this plan are held in trust outside the control of the District. Therefore, the assets of this plan are not considered assets of the District and are not subject to the claims of the District's general creditors.

Net Position

In the government-wide financial statements, net position is reported as 1) net investment in capital assets, 2) restricted, or 3) unrestricted.

Net position is reported as restricted when constraints have been placed on it by an external party (such as creditors, grantors, contributors or other governments) or imposed by law through a constitutional provision or enabling legislation.

Fund Balance

Governmental fund balances are classified and reported as follows:

Nonspendable fund balances include items that cannot be spent. This includes amounts that are not in a spendable form (for example, inventories and prepaid items) and amounts that are legally or contractually required to remain intact, such as a permanent fund principal balance.

Restricted fund balances have constraints placed upon the use of the resources either by an external party or imposed by law through a constitutional provision or enabling legislation.

Committed fund balances can be used only for specific purposes pursuant to constraints imposed by formal action (resolution) of the Board, the District’s highest level of decision-making authority. These constraints remain binding unless removed or changed in the same manner used to create the constraints.

(Continued)

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2023

Assigned fund balances include amounts that are constrained by the District's intent to be used for a specific purpose, but are neither restricted nor committed. Such intent is expressed by the Board or appropriately authorized officials. The District's Chief Financial Officer has been authorized by the Board in the budget approval process to make all fund balance assignments. Constraints imposed on the use of assigned fund balances can be removed or changed without formal Board action. For governmental funds, other than the general fund, this is the classification for residual amounts that are not nonspendable, restricted or committed.

Unassigned fund balance is the classification used by the general fund for residual amounts not included in the four categories described above. The general fund is the only fund that reports a positive unassigned fund balance.

Prioritization and Use of Available Resources

When restricted resources and other resources (*i.e.*, committed, assigned and unassigned) can be used for the same purposes, it is the District's policy to use restricted resources first. Furthermore, when committed, assigned and unassigned resources can be used for the same purpose, it is the District's policy to use committed resources first, assigned second, and unassigned last.

Use of Estimates

Timely preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect reported amounts and disclosures. Accordingly, these estimates and assumptions may require revision in future years. Significant estimates that may change materially within the next year include the 1) useful lives of capital assets, 2) net pension liability, 3) total postemployment benefits other than pensions liability, and 4) deferred outflows and inflows of resources.

Note 2. Stewardship and Accountability

Budgets and Budgetary Accounting

The District adopts annual budgets for all funds except for the Foundation and QALICB funds, which are not budgeted. All budget augmentations made during the current year were as prescribed by law. All budgets are adopted on a basis consistent with GAAP as applied to government units and used by the District for financial reporting.

The District uses the following procedures to establish, modify, and control budgetary data:

Prior to April 15, the District submits the tentative budget for the next fiscal year, commencing on July 1, to the State Department of Taxation. The Las Vegas City Council and the Board of County Commissioners have the ability to reject the tentative budget prior to its submission to the State. The budget, as submitted, contains the proposed expenditures and the means of financing them.

The State Department of Taxation notifies the District of its acceptance of the tentative budget.

A public hearing is conducted on the Thursday after the third Monday in May.

After all changes have been noted and the hearings closed, the Board adopts the budget on or before June 1.

The NRS require budget controls to be exercised at the function level. The District's Executive Director and Chief Financial Officer are authorized to transfer budget amounts between functions within a fund. However, the Board's approval is required for all transfers between funds.

(Continued)

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2023

Budget augmentations are accomplished through formal Board action.

The District cannot expend any money, incur any liability or enter into any contract, which by its terms involves the expenditure of money in excess of the amount appropriated for a given function, except for bond payments, short-term financing payments and any other long-term contracts expressly authorized by law.

All unencumbered appropriations lapse at the fiscal year end, except for amounts appropriated for specific capital projects or Federal and State grant expenditures.

Collection

The District's collection is comprised of a permanent art collection that is held for educational, research, and exhibition purposes. Each item is cataloged, preserved, and cared for, and activities verifying their existence and assessing their condition are performed continuously. The collection is subject to a District procedure that requires proceeds from their sales, if any, to be used to acquire other collection items.

Tax Abatements

All tax abatement agreements/programs, entered into by the State of Nevada, have been summarized, by type of agreement/program and the gross, accrual basis reduction of the District's taxes for the year ended June 30, 2023, aggregated as follows:

Agreement/program description	NRS 360.753 - Partial abatement of certain taxes imposed on aircraft, components of aircraft and other personal property used for certain purposes related to aircraft
Amount abated during the current year	$ 3,129
Specific tax being abated	Personal property taxes and/or sales and use taxes
Agreement/program description	NRS 360.754 - Partial abatement of certain taxes imposed on new or expanded data center
Amount abated during the current year	$ 146,978
Specific tax being abated	Property taxes and/or sales and use taxes
Agreement/program description	NRS 701A.370 - Energy-related tax incentives (NRS 701A.110 Partial abatement of certain property taxes for buildings or structures that meet certain standards under Green Building Rating System, NRS 701A.200 Exemption from certain property taxes for qualified energy systems, NRS 701A.210 Partial abatement of certain property taxes for businesses and facilities using recycled material)
Amount abated during the current year	$ 56,206
Specific tax being abated	Property taxes and/or sales and use taxes
Agreement/program description	NRS 374.357 - Abatement for eligible machinery or equipment used by certain new or expanded businesses
Amount abated during the current year	$ 17,957
Specific tax being abated	Sales and use taxes

New Accounting Pronouncements

In June 2022, the GASB issued Statement No. 100, *Accounting Changes and Error Corrections*, effective for years beginning after June 15, 2023. This statement defines and provides guidance on the accounting and financial reporting for accounting changes and error corrections to enhance understandability, reliability, relevance, consistency and comparability of information used for making decisions or assessing accountability. Management has not yet completed its assessment of this statement.

In June 2022, the GASB issued Statement No. 101, *Compensated Absences*, effective for years beginning after December 15, 2023. This statement provides updated guidance for the recognition, measurement and disclosure of compensated absences. Management has not yet completed its assessment of this statement.

(Continued)

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2023

Management has completed its assessment of all other new, but not yet effective GASB statements and either 1) determined that the statement will not have a material effect on the District's financial position or changes therein, or 2) early adopted and implemented the statement.

Note 3. Detailed Notes on All Funds

Cash, Cash Equivalents and Investments

The District has a formal investment policy that is designed to ensure conformity with the NRS and to limit exposure to investment risks as described in the following paragraphs.

Allowable District investments include obligations of the U.S. Treasury and U.S. agencies, not to exceed ten years maturity; negotiable notes or short-term negotiable bonds issued by other local governments of the State; bankers' acceptances eligible for rediscount with Federal Reserve Banks, not to exceed 180 days maturity and 20% of total investments; commercial paper having an "A-1" rating or equivalent, not to exceed 270 days maturity and 20% of total investments; and money market mutual funds invested only in federal government agency securities with an "AAA" rating or equivalent or in repurchase agreements fully collateralized by such securities.

When investing monies, the District is required to comply with the NRS. District monies must be deposited with federally insured banks. The District is authorized to use demand accounts, time accounts and certificates of deposit. The NRS do not specifically require collateral for demand deposits, but do specify that collateral for time deposits may be of the same type as those described for permissible State investments. Permissible State investments are similar to allowable District investments, described above, except that some State investments are for longer terms and include securities issued by municipalities outside of the State.

At year end, the District's carrying amount of deposits was $32,189,036, and the bank balance was $32,289,808. The Federal Depository Insurance Corporation (FDIC) covered $250,000 of the bank balance at fiscal year end. However, the District's bank balance is collateralized with securities held by the pledging bank's trust department or agent in the District's name up to 102% of the average bank balance in excess of the FDIC limit. The District often carries cash and cash equivalents on deposit with financial institutions in excess of federally-insured limits, and the risk of losses related to such concentrations, as a result of continuing economic instability, is not subject to estimation at this time.

The District manages its custodial credit risk related to deposits by participating in the State's Pooled Collateral Program, which was created during the 2003 legislative session to monitor collateral maintained by depositories for local government agency deposits. This program provides for centralized processing and management of all pledging and maintenance of collateral by the State Treasurer's Office, rather than each local agency and eliminates the need for the District to establish separate custodial agreements with each financial institution.

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. In accordance with the District's formal investment policy, the District manages its exposure to interest rate risk by purchasing a combination of short-term and long-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

GAAP defines fair value, establishes a framework for measuring fair value and provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The fair value measurement level within the hierarchy is based on the lowest level of any input that is deemed significant to the fair value measurement. Valuation techniques used maximize the use of observable inputs and minimize the use of unobservable inputs.

(Continued)

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2023

At year end, the estimated fair value of the District's investments was based on:

Level 1 – Quoted market prices provided by recognized broker dealers.

Level 2 – A matrix pricing model, used by recognized broker dealers, which maximizes the use of observable inputs for similar securities or, for certificates of deposit, amortized cost.

Level 3 – Unobservable inputs including, when applicable, the proportionate share of pooled investments.

At year end, the District had the following investments:

	Reported Amount (Fair Value)	Less than 1 year	1 to 5 years
Level 1			
U.S. Treasury securities	$ 44,423,007	$ 32,000,197	$ 12,422,810
Corporate notes and bonds	650,551	296,654	353,897
Mutual funds	3,700	3,700	
Level 2			
U.S. Agency securities	6,040,787	1,655,219	4,385,568
Certificates of deposit	641,557	641,557	
Level 3			
Total cash equivalents and investments	$ 51,759,602	$ 34,597,327	$ 17,162,275

* The requirement to disclose credit ratings does not apply to debt securities of the United States government, or obligations of United States government agencies that are explicitly guaranteed by the United States government.

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment and concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. This is measured by the assignment of a rating by a nationally recognized statistical organization. The District's formal investment policy mitigates this risk by limiting investments to the safest types of securities, pre-qualifying entities (e.g., financial institutions, intermediaries, advisors) and diversifying its investment portfolio. At year end, all of the District's investments were rated "AAA" or "AA." However, it should be noted that the requirement to disclose credit ratings does not apply to debt securities of the United States government, or obligations of United States government agencies that are explicitly guaranteed by the United States government.

Custodial credit risk related to investments is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

NRS help protect against loss resulting from credit and custodial risk by setting limits on the maximum percentage that can be invested in a single issuer. The District places no limits on the amount that can be invested in any one issuer beyond that stipulated by the NRS.

Investments in any type of investment that represent 5% or more of total investments at year end, were as follows:

	Percentage of Portfolio
U.S. Treasury securities	85.3 %
U.S. Agency securities	11.7 %

(Continued)

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2023

Capital Assets

For the year ended June 30, 2023, capital asset activity was as follows:

	Balance July 1, 2022	Increases	Decreases	Balance June 30, 2023
Governmental activities				
Capital assets not being depreciated or amortized				
Construction in progress	$	$ 1,360,082	$	$ 1,360,082
Land	5,706,578			5,706,578
Total capital assets not being depreciated or amortized	5,706,578	1,360,082		7,066,660
Capital assets being depreciated or amortized				
Buildings	158,489,025		(6,247,325)	152,241,700
Improvements	3,781,448		(1,011,138)	2,770,310
Library media materials	114,492,001	11,547,834	(3,004,282)	123,035,553
Furniture and equipment	15,967,052	1,492,870	(3,159,380)	14,300,542
Total capital assets being depreciated or amortized	292,729,526	13,040,704	(13,422,125)	292,348,105
Accumulated depreciation and amortization				
Buildings	(52,611,032)	(3,220,824)	3,516,008	(52,315,848)
Improvements	(3,430,558)	(85,500)	954,978	(2,561,080)
Library media materials	(45,796,800)	(6,421,703)	3,004,282	(49,214,221)
Furniture and equipment	(13,270,171)	(738,845)	3,079,235	(10,929,781)
Total accumulated depreciation and amortization	(115,108,561)	(10,466,872)	10,554,503	(115,020,930)
Total capital assets being depreciated or amortized, net	177,620,965	2,573,832	(2,867,622)	177,327,175
Right-to-use capital assets being amortized				
Right-to-use leased building	108,108			108,108
Right-to-use subscription software		191,498		191,498
Total right-to-use capital assets being amortized	108,108	191,498		299,606
Accumulated amortization				
Right-to-use leased building	(15,821)	(15,820)		(31,641)
Right-to-use subscription software		(55,510)		(55,510)
Total accumulated amortization	(15,821)	(71,330)		(87,151)
Total right-to-use capital assets being amortized, net	92,287	120,168		212,455
Total governmental activities	$ 183,419,830	$ 4,054,082	$ (2,867,622)	$ 184,606,290

Depreciation and amortization charged to the culture and recreation function for the year totaled $10,538,202.

(Continued)

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2023

Due To and From Other Funds

At year end, amounts due to and from other funds resulting from the time lag between the dates that reimbursable transactions occur and payments between funds are made were as follows:

	Receivable	Payable
General Fund	$ 239,638	$ 417,382
Las Vegas-Clark County Library District Foundation, Special Revenue Fund	30,654	136,661
Capital Projects, Capital Projects Fund	1,000	
Non-major Governmental Funds	410,788	128,037
	$ 682,080	$ 682,080

Interfund Transfers

Transfers of revenues collected in various funds are used to finance various programs and expenditures accounted for in other funds in accordance with budgetary authorization or legal requirements. Interfund transfers during the year were as follows:

Transfer In Fund	Transfer Out Fund	Amount
Capital Projects, Capital Projects Fund	General Fund	$ 34,000,000

Long-term Liabilities

The District issues general obligation bonds and notes payable to provide funds for the improvement, acquisition or construction of major capital assets. These constitute general obligations of the District, and the full faith and credit of the District are pledged for the payment of principal and interest.

Long-term Liabilities

Outstanding long-term liabilities at June 30, 2023, were as follows:

	Maturity Date	Interest Rate	Original Amount	Balance June 30, 2023
Governmental activities				
Notes payable (direct placement)				
LVCIC QLICI – Loan A	July 2057	1.203%	$ 11,335,600	$ 11,335,600
LVCIC QLICI – Loan B	July 2057	1.203%	5,154,400	5,154,400
Clearinghouse QLICI – Loan A	December 2047	1.000%	6,646,000	6,646,000
Clearinghouse QLICI – Loan B	December 2047	1.000%	3,154,000	3,154,000
Total notes payable (direct placement)			26,290,000	26,290,000
Lease obligations				
Facilities lease	April 2028	3.25% to 4.38%	108,108	78,695

(Continued)

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2023

	Maturity Date	Interest Rate	Original Amount	Balance June 30, 2023
Subscription software obligations				
Subscription software	Through June 2026	3.25% to 4.38%	191,498	111,426
Total governmental activities			$ 26,589,606	$ 26,480,121

At June 30, 2023, minimum payment requirements to maturity were as follows:

For the Year Ended June 30,	Principal	Interest
Governmental activities		
Notes payable (direct placement)		
2024	$	$ 281,095
2025	391,035	276,236
2026	793,992	288,618
2027	802,783	279,802
2028	811,672	270,888
2029 - 2033	4,195,204	1,217,212
2034 - 2038	4,432,792	978,954
2039 - 2043	4,683,948	727,085
2044 - 2048	4,711,019	477,414
2049 - 2053	2,779,135	248,960
2054 - 2058	2,688,420	76,402
Total notes payable (direct placement)	26,290,000	5,122,666
Lease obligations		
2024	15,285	2,331
2025	15,789	1,827
2026	16,310	1,306
2027	16,848	768
2028	14,463	217
Total lease obligations	78,695	6,449
Subscription software obligations		
2024	50,118	3,882
2025	52,357	1,643
2026	8,951	49
Total subscription software obligations	111,426	5,574
Total governmental activities	$ 26,480,121	$ 5,134,689

(Continued)

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2023

Long-term liabilities activity for the year ended June 30, 2023, was as follows:

	Balance July 1, 2022	Increases	Decreases	Balance June 30, 2023	Due Within One Year
Governmental activities					
Notes payable (direct placement)					
LVCIC QLICI – Loan A	$ 11,335,600	$	$	$ 11,335,600	$
LVCIC QLICI – Loan B	5,154,400			5,154,400	
Clearinghouse QLICI – Loan A	6,646,000			6,646,000	
Clearinghouse QLICI – Loan B	3,154,000			3,154,000	
Total notes payable (direct placement)	26,290,000			26,290,000	
Lease obligations					
Facilities lease	93,492		(14,797)	78,695	15,285
Subscription software obligations					
Subscription software		191,498	(80,072)	111,426	50,118
Compensated absences	6,607,206	3,699,451	(2,969,213)	7,337,444	3,330,495
Postemployment benefits other than pensions	1,413,528	53,425	(198,723)	1,268,230	
Net pension liability	28,408,876	30,685,264	(3,393,543)	55,700,597	
Total governmental activities	$ 62,813,102	$ 34,629,638	$ (6,656,348)	$ 90,786,392	$ 3,395,898

Compensated absences, total postemployment benefits other than pensions liability and net pension liability are normally liquidated by the general fund.

Debt Covenants and Legal Debt Margin

Certain long-term liabilities are subject to restrictive debt covenants with which management believes the District to be in compliance.

The amount of general obligation, long-term debt that can be incurred by the District is limited by NRS. The total outstanding long-term debt principal during a year is limited to no more than 10% of the assessed value of taxable property. Management believes the District to be in compliance with this limitation.

Commitments

Governmental fund commitments outstanding for construction and construction-related services at year end totaled approximately $1,213,000 and $5,698,000 for non-construction related services.

(Continued)

Note 4. Other Information

Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District maintains a risk management program to assess coverage of potential risks of loss. Under this program, the District participates in workers' compensation and unemployment programs provided by the State. For all other risks, the District purchases insurance coverage subject to nominal deductibles. Settled claims and awards have not exceeded this commercial coverage in any of the past three fiscal years.

The Nevada economy continues to suffer and the COVID-19 pandemic fallout continues to impact the economic activity and government finances. The financial outlook for Nevada's economy has been improving, but is projected to experience a slower recovery than the rest of the country due to its relatively large dependence on tourism. Intergovernmental shared revenues, composed primarily of sales and use taxes, comprise 32.9% of general fund revenues compared to 34.2% in the prior year.

At year end, housing prices continued to increase due to low inventory and increased demand. As employees continue to work from home, many are looking for larger properties in a state with no income taxes, making locations such as the Las Vegas metropolitan area attractive. Property taxes comprise 63.5% of general fund revenues compared to 63.8% in the prior year.

During the COVID-19 pandemic, the District implemented several cost saving strategies designed to ensure financial sustainability in response to the COVID-19 pandemic. These strategies continue to successfully provide the District with additional resources to withstand any subsequent financial downturns in the near term. Combined with slowly improving economic conditions in Southern Nevada, these measures allowed the District to resume transferring funds to the Capital Projects Fund, build reserves, and continue spending on critical projects.

Although the economy appears to be recovering, the future impact of the COVID-19 pandemic is unknown and continually evolving. The ultimate long-term impact on the District's financial position and changes therein cannot be determined at this time, but may be substantial.

Contingent Liabilities

In the ordinary course of its operations, claims are filed against the District. It is the opinion of management that, except as disclosed in the following paragraph, these claims will not result in any material adverse effect on the District's financial statements.

The District does not accrue for estimated future legal and defense costs, if any, to be incurred in connection with outstanding or threatened litigation and other disputed matters, but rather records such period costs when the services are rendered.

(Continued)

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2023

Postemployment Benefits Other Than Pensions (OPEB)

As discussed in Note 1, the District offers its employees a deferred compensation (postemployment benefit) plan created in accordance with Internal Revenue Code Section 457. This plan, which is available to all District employees, permits participants to defer a portion of their salary/wages until future years. The deferred compensation is not available to employees until termination, retirement, death, or an unforeseeable emergency. The assets and liabilities related to this deferred compensation plan are not reported by the District because the plan is administered by an independent third-party and the District does not control the independent third-party or appoint any members of its governing body (either directly or indirectly). In addition, contributions are comprised solely of employee discretionary contributions and each employee controls their own investment decisions.

In accordance with NRS, the District also provides other postemployment benefits to retirees by participating in the State's Public Employee Benefit Plan (PEBP), an agent, multiple-employer defined benefit plan administered by a ten-member governing board appointed by the Governor, including an Executive Officer who directs the program and serves at the pleasure of the Board. The PEBP provides medical, prescription, dental and vision benefits to retirees.

The District does not provide any other postemployment benefits (either directly or indirectly).

The PEBP issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained by writing:

Public Employee Benefit Plan
901 South Stewart Street, Suite 101
Carson City, NV 89701

The PEBP eligibility and subsidy requirements are governed by NRS and can only be amended through legislation. For a retiree to participate in the PEPB, the retiree must be receiving a PERS benefit. PERS eligibility varies by employee group and benefit type, as discussed elsewhere herein. In 2008, NRS were amended. As a result of this amendment, the number of retirees for whom the District is obligated to provide OPEB is limited to eligible employees who retired prior to September 1, 2008.

Retirees and former employees who were eligible and elected the PEBP coverage are entitled to a subsidy toward their premium cost based on their years of covered employment under Nevada PERS. This subsidy is shared on a pro-rata basis by the employers for which the retiree has worked and earned PERS service credit. As a result, the District is required to provide a subsidy, based on years of service for its retirees and former employees that are enrolled in the PEBP. The State Legislature changes the benefit subsidies from time to time; and although, the monthly subsidy continues to be based on years of credited service under PERS, the level differs for pre-Medicare and Medicare eligible retirees. The subsidy ends at the earlier of the retiree's death or the date he or she discontinues coverage. In the current fiscal year, the District paid a subsidy that ranged from $10 to $918 per person, per month, and totaled $87,308 for the year.

(Continued)

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2023

The District's total OPEB obligation was determined using the following actuarial assumptions applied to all periods included in the measurement:

Actuarial valuation date	July 1, 2023
Measurement date	June 30, 2023
Discount rate	
Beginning of year	3.9%
End of year	4.0%
Actuarial cost method	Entry age normal, level percent of pay
Total retirees	
Beginning of year	34
End of year	32
Average retiree age	
Beginning of year	76.2 years
End of year	77.4 years
Projected pay increase *	
Projected trend on payments to PEBP	Pre-Medicare – 6.00% in 2021 fluctuating down to 3.9% by 2076 7.5% per annum, decreasing 0.25 to 0.5% per year to an ultimate rate of 4.5%
Mortality rates	Society of Actuaries Pub-2010 Public Retirement Plans Headcount-Weighted General Mortality Tables using Scale MP-2021 Full Generational Improvement

* PEBP is a closed plan; and therefore, there are no current District employees covered by the PEBP.

There were no changes in OPEB benefit terms that affected the measurement of the District's total OPEB liability during the current year.

At year end, the District's total OPEB obligation sensitivity to changes in the discount rate and healthcare cost trend rate was as follows:

	1% Decrease in Discount Rate	Discount Rate	1% Increase in Discount Rate
Total OPEB liability	$ 1,391,863	$ 1,268,230	$ 1,161,472

	1% Decrease in Healthcare Trend Rate	Healthcare Trend Rate	1% Increase in Healthcare Trend Rate
Total OPEB liability	$ 1,167,728	$ 1,268,230	$ 1,381,987

(Continued)

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2023

At year end, changes in the District's total OPEB obligation were as follows:

Interest on total OPEB liability	$ 53,425
Differences between expected and actual experience	(66,953)
Change in assumptions and other inputs	(44,462)
Service cost *	
OPEB expense	(57,990)
Benefit payments (equal to employer contributions)	(87,308)
Net change in total OPEB liability	(145,298)
Total OPEB liability, beginning of year **	1,413,528
Total OPEB liability, end of year **	$ 1,268,230

* PEBP is a closed plan; and therefore, there are no current District employees covered by the PEBP.
** The plan fiduciary net position at the beginning and end of year is zero; therefore, the District reports its total OPEB liability, rather than a net OPEB liability.

As the District's OPEB obligation includes only retirees, the average expected remaining service life is zero; and therefore, changes in deferred outflows and inflows of resources are recognized in OPEB expense in the year incurred.

Multiple-Employer, Cost-Sharing Defined Benefit Pension Plan

The District's employees are covered by the Public Employees Retirement System of Nevada (PERS or the System), which was established by the Nevada Legislature in 1947, effective July 1, 1948, and is governed by the Public Employees Retirement Board (the PERS Board) whose seven members are appointed by the Governor. The District does not exercise any control over PERS.

PERS is a cost-sharing, multiple-employer, defined benefit public Employees retirement system which includes both regular and police/fire members. PERS is administered to provide a reasonable base income to qualified employees who have been employed by a public employer and whose earnings capacities have been removed or substantially impaired by age or disability.

Benefits, as required by NRS, are determined by the number of years of accredited service at time of retirement and the member's highest average compensation in any 36 consecutive months with special provisions for members entering the system on or after January 1, 2010 and July 1, 2015. Benefit payments to which participants or their beneficiaries may be entitled under the plan include pension benefits, disability benefits, and survivor benefits.

Monthly benefit allowances for members are computed as 2.50% of average compensation for each accredited year of service prior to July 1, 2001. For service earned on and after July 1, 2001, this service time factor is 2.67% of average compensation. For plan members entering the System on or after January 1, 2010, there is a 2.50% service time factor for all years of service. Regular plan members entering the System on or after July 1, 2015 have a 2.25% service time factor. The System offers several alternatives to the unmodified service retirement allowance which, in general, allow the retired employee to accept a reduced service retirement allowance payable monthly during his or her lifetime and various optional monthly payments to a named beneficiary after his or her death.

(Continued)

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2023

Post-retirement increases are provided by authority of NRS 286.575 - .579 and are summarized as follows:

Retirees are eligible for annual benefit increases starting the fourth year of initially receiving benefits. Benefits are increased annually on the first day of the month following the anniversary of the commencement of benefits. The increases begin at 2% in years four, five, and six; increase to 3% in years seven, eight, and nine; 3.5% in years ten, eleven, and twelve; 4% for years thirteen and fourteen; and 5% in year fifteen and each year thereafter. If the benefit outpaces inflation in the period since retirement, the increase may be capped by a rolling three-year average of the Consumer Price Index (all items).

Retirees who enter the System on or after January 1, 2010, are eligible for annual benefit increases starting the fourth year of initially receiving benefits. Benefits are increased annually on the first day of the month following the anniversary of the commencement of benefits. The increases begin at 2% in years four, five, and six; increase to 3% in years seven, eight, and nine; 3.5% in years ten, eleven, and twelve; and 4% in year thirteen and each year thereafter. If the benefit outpaces inflation in the period since retirement, the increase may be capped by a rolling three-year average of the Consumer Price Index (all items).

Retirees who enter the System on or after July 1, 2015, are eligible for annual benefit increases starting the fourth year of initially receiving benefits. Benefits are increased annually on the first day of the month following the anniversary of the commencement of benefits. The increases begin at 2% in years four, five, and six; increase to 2.5% in years seven, eight, and nine; then adjust to the lesser of 3% or the increase, if any, in the Consumer Price Index (all items) for the preceding calendar year following the tenth year and every year thereafter.

Regular members entering the System prior to January 1, 2010, are eligible for retirement at age 65 with five years of service, at age 60 with 10 years of service, or at any age with 30 years of service. Regular members entering the System on or after January 1, 2010, are eligible for retirement at age 65 with five years of service, or at age 62 with 10 years of service, or any age with 30 years of service. Regular members entering the System on or after July 1, 2015, are eligible for retirement at age 65 with five years of service, or at age 62 with 10 years of service, or at age 55 with 30 years of service, or at any age with 33 1/3 years of service.

Police/Fire members entering the System prior to January 1, 2010, are eligible for retirement at age 65 with five years of service, at age 55 with 10 years of service, at age 50 with 20 years of service, or at any age with 25 years of service. Police/Fire members entering the System on or after January 1, 2010, are eligible for retirement at age 65 with five years of service, or at age 60 with 10 years of service, or at age 50 with 20 years of service. Only service performed in a position as a police officer or firefighter may be counted towards eligibility for retirement as Police/Fire accredited service.

Members with the years of service necessary to receive a retirement benefit, but who have not reached the age for an unreduced benefit, may retire at any age with the benefit reduced for each year they are under the required age.

The normal ceiling limitation on monthly benefit allowances is 75% of average compensation. However, a member who has an effective date of membership before July 1, 1985, is entitled to a benefit of up to 90% of average compensation. Both Regular and Police/Fire members become fully vested as to benefits upon completion of five years of service.

(Continued)

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2023

The authority for establishing and amending the obligation to make contributions and member contribution rates rests with NRS. New hires, in agencies which did not elect the employer-pay contribution (EPC) plan prior to July 1, 1983, have the option of selecting one of two alternative contribution plans. One plan provides for matching employee and employer contributions, while the other plan provides for employer pay contributions only. Under the matching employee/employer contribution plan a member may, upon termination of service for which contribution is required, withdraw employee contributions that have been credited to their account. All membership rights and active service credit in the System are canceled upon withdrawal of contributions from the member's account. If EPC was elected, the member cannot convert to the Employee/Employer Contribution plan and cannot withdraw these contributions.

PERS's basic funding policy provides for periodic contributions at a level pattern of cost as a percentage of salary throughout an employee's working lifetime in order to accumulate sufficient assets to pay benefits when due.

Although PERS receives an actuarial valuation on an annual basis for determining the prospective funding contribution rates required to fund the system on an actuarial reserve basis, contributions actually made are in accordance with the required rates established by NRS. These statutory rates are increased/decreased pursuant to NRS 286.421 and 286.450.

The actuarial funding method used is the entry age normal cost method. It is intended to meet the funding objective and result in a relatively level long-term contributions requirement as a percentage of salary.

For the current year, the required employer/employee matching rate was 15.50% for regular and 22.75% for police/fire members. The EPC rate was 29.75% for regular and 44.00% for police/fire members.

Effective July 1, 2023, the required employer/employee match rates increased to 17.5% for regular and 25.75% for police/fire members. The EPC rates also increase to 33.5% for regular and 50.0% for police/fire members.

PERS issues a publicly available Annual Comprehensive Financial Report that includes financial statements and required supplemental information. This report is available on the PERS website, www.nvpers.org under publications.

PERS collective net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. For this purpose, certain actuarial valuation assumptions are stipulated by GASB and may vary from those used to determine the prospective funding contribution rates.

(Continued)

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2023

The total PERS pension liability was determined using the following actuarial assumptions (based on the results of an experience study for the period July 1, 2016, through June 30, 2020), applied to all periods included in the measurement:

Actuarial valuation date	June 30, 2022
Inflation rate	
Beginning of year	2.50%
End of year	2.50%
Payroll growth	
Regular employees	3.50%
Police/fire employees	3.50%
Investment rate of return	
Beginning of year	7.25%
End of year	7.25%
Discount rate	
Beginning of year	7.25%
End of year	7.25%
Productivity pay increase	0.50%
Actuarial cost method	Entry age normal, level percent of pay
Projected salary increases, including inflation and productivity increases	
Regular employees	4.20% to 9.10%, depending on service
Police/fire employees	4.60% to 14.50%, depending on service

Mortality rates and projected life expectancies are based on the following:

Pre-retirement, regular members – Pub-2010 General Employee Amount-Weighted Above-Median Mortality Table (separate tables for males and females), projected generationally with the two-dimensional mortality improvement scale MP-2020.

Pre-retirement, police/fire members – Pub-2010 Safety Employee Amount-Weighted Above-Median Mortality Table (separate tables for males and females). Projected generationally with the two-dimensional mortality improvement scale MP- 2020.

Healthy, regular members – Pub-2010 General Healthy Retiree Amount-Weighted Above-Median Mortality Table (separate tables for males and females) with rates increased by 30% for males and 15% for females, projected generationally with the two-dimensional monthly improvement scale MP-2020.

Healthy, police/fire members – Pub-2010 Safety Healthy Retiree Amount-Weighted Above-Median Mortality Table (separate tables for males and females) with rates increased by 30% for males and 5% for females, projected generationally with the two-dimensional mortality improvement scale MP-2020.

Disabled, regular members – Pub-2010 Non-Safety Disabled Retiree Amount-Weighted Mortality Table (separate tables for males and females) with rates increased by 20% for males and 15% for females, projected generationally with the two-dimensional mortality improvement scale MP- 2020.

Disabled, police/fire members – Pub-2010 Safety Disabled Retiree Amount-Weighted Mortality Table (separate tables for males and females) with rates increased by 30% for males and 10% for females, projected generationally with the two-dimensional mortality improvement scale MP-2020.

(Continued)

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2023

PERS's policies, which determine the investment portfolio target asset allocation, are established by the PERS Board. The asset allocation is reviewed annually and is designed to meet the future risk and return needs of PERS. The following target asset allocation policy was adopted as of June 30, 2022:

Asset Class	Target Allocation	Long-term Geometric Expected Real Rate of Return *
U.S. stocks	42 %	5.50 %
International stocks	18 %	5.50 %
U.S. bonds	28 %	0.75 %
Private markets	12 %	6.65 %

* The long-term inflation assumption was 2.50%.

The discount rate used to measure the PERS total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that plan contributions will be made in amounts consistent with statutory provisions and recognizing the plan's current funding policy and cost-sharing mechanism between employers and members.

Based on that assumption, the PERS fiduciary net position at the measurement date was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the PERS total pension liability as of the measurement date.

The District's proportionate share of the net pension liability calculated using the discount rate of 7.25%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current discount rate was as follows:

	1% Decrease in Discount Rate	Discount Rate	1% Increase in Discount Rate
Net pension liability	$ 85,518,638	$ 55,700,597	$ 31,096,240

Detailed information about the PERS fiduciary net position is available in the PERS Annual Comprehensive Financial Report, available on the PERS website, www.nvpers.org under publications. The PERS fiduciary net position and additions to/deductions from it have been determined on the same basis used in the PERS Annual Comprehensive Financial Report. The PERS financial statements are prepared in accordance with GAAP applicable to governmental accounting for fiduciary funds. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

The District's proportionate share (amount) of the collective net pension liability was $55,700,597, which represents 0.30851% of the collective net pension liability. Contributions for employer pay dates within the measurement year were used as the basis for determining each employer's proportionate share. Each employer's proportion of the net pension liability is based on their combined employer and member contributions relative to the total combined employer and member contributions for all employers for the measurement year.

(Continued)

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2023

For the current year, the District's pension expense was ($4,559,763) and its reported deferred outflows and inflows of resources related to pensions were as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 7,212,304	$ 39,791
Changes of assumptions or other inputs	7,155,130	
Net difference between projected and actual earnings on investments	679,582	
Changes in proportion and differences between actual contributions and proportionate share of contributions	527,408	3,958,635
Contributions made subsequent to the measurement date	3,707,211	
	$ 19,281,635	$ 3,998,426

At June 30, 2022, the average expected remaining service life was 5.70 years.

Deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date totaling $3,707,211 will be recognized as a reduction of the net pension liability in the subsequent year. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

For the Year Ended June 30,	
2024	$ 1,775,749
2025	1,685,293
2026	1,504,687
2027	5,822,016
2028	788,253

Changes in the District's net pension liability were as follows:

Net pension liability, beginning of year	$ 28,408,876
Pension expense	4,559,763
Employer contributions	(3,393,543)
Change in net deferred outflows and inflows of resources	26,125,501
Net pension liability, end of year	$ 55,700,597

At year end, payroll and benefits payable included $1,088,969 payable to PERS, for the June required contributions and the accrued portion of July required contributions resulting from time working in June.

Required Supplementary Information

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
FOR THE YEAR ENDED JUNE 30, 2023

For the Year Ended June 30, [1, 4]	Service Cost	Interest on Total OPEB Liability	Changes in Benefit Terms	Differences Between Expected and Actual Experience	Changes in Assumptions or Other Inputs	Benefit Payments
2018	[2]	$ 71,482	$	$ (165,020)	$ 22,856	$ (93,503)
2019	[2]	63,980		(80,090)	10,199	(92,336)
2020	[2]	55,202		1,781	(114,655)	(93,298)
2021	[2]	44,022		20,429	29,658	(85,218)
2022	[2]	34,005		34,771	(311,150)	(88,743)
2023	[2]	53,425		(66,953)	(44,462)	(87,308)

For the Year Ended June 30, [1, 4]	Net Change in Total OPEB Liability	Total OPEB Liability, Beginning of Year	Total OPEB Liability, End of Year	Plan Fiduciary Net Position, Beginning of Year	Net OPEB Liability, End of Year	Covered-Employee Payroll
2018	$ (164,185)	$ 2,149,156	$ 1,984,971	[3]	$ 1,984,971	[2]
2019	(98,247)	1,984,971	1,886,724	[3]	1,886,724	[2]
2020	(150,970)	1,886,724	1,735,754	[3]	1,735,754	[2]
2021	8,891	1,735,754	1,744,645	[3]	1,744,645	[2]
2022	(331,117)	1,744,645	1,413,528	[3]	1,413,528	[2]
2023	(145,298)	1,413,528	1,268,230	[3]	1,268,230	[2]

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1. Information for Postemployment Benefits Other Than Pensions is not available for years prior to the year ended June 30, 2018. As additional information becomes available, this schedule will ultimately present information for the ten most recent fiscal years.
2. The Public Employee Benefit Program is a closed plan and the number of employees for whom the District is obligated to provide OPEB is limited to eligible employees who retired prior to September 1, 2008. Therefore, service cost and covered-employee payroll are both zero. As a result, the net OPEB liability as a percent of covered-employee payroll is not applicable.
3. Employer contributions are equal to the benefit payments made during the year; and therefore, the beginning and ending plan fiduciary net position is zero. As a result, the plan fiduciary net position as a percentage of the total OPEB liability is not applicable.
4. As of the end of the most current fiscal year presented, no assets had been placed in a qualifying irrevocable trust.

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS
STATUTORILY REQUIRED CONTRIBUTION INFORMATION
FOR THE YEAR ENDED JUNE 30, 2023

For the Year Ended June 30, [1, 3]	Statutorily Required Contributions	Contributions in Relation to the Statutorily Required Contributions	Contribution Excess (Deficiency)	Covered-Employee Payroll
2018	$ 93,503	$ 93,503	$	[2]
2019	92,336	92,336		[2]
2020	93,298	93,298		[2]
2021	85,218	85,218		[2]
2022	88,743	88,743		[2]
2023	87,308	87,308		[2]

1. Information for Postemployment Benefits Other Than Pensions is not available for years prior to the year ended June 30, 2018. As additional information becomes available, this schedule will ultimately present information for the ten most recent fiscal years.
2. The Public Employee Benefit Program is a closed plan and the number of employees for whom the District is obligated to provide OPEB is limited to eligible employees who retired prior to September 1, 2008. Therefore, service cost and covered-employee payroll are both zero. As a result, the net OPEB liability as a percent of covered-employee payroll is not applicable.
3. As of the end of the most current fiscal year presented, no assets had been placed in a qualifying irrevocable trust.

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEVADA
MULTIPLE-EMPLOYER COST-SHARING DEFINED BENEFIT PENSION PLAN
PROPORTIONATE SHARE OF THE COLLECTIVE NET PENSION LIABILITY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2023

For the Year Ended June 30, [1]	Proportion of the Collective Net Pension Liability	Proportion of the Collective Net Pension Liability	Covered Payroll	Proportion of the Collective Net Pension Liability as a Percentage of Covered Payroll	PERS Fiduciary Net Position as a Percentage of Total Pension Liability
2014	0.33538 %	$ 34,406,633	$ 19,036,828	180.74 %	76.31210 %
2015	0.34184 %	38,432,593	19,776,530	194.33 %	75.12612 %
2016	0.34184 %	46,002,178	20,429,244	225.18 %	72.22995 %
2017	0.34239 %	45,536,922	21,261,880	214.17 %	74.22995 %
2018	0.34021 %	46,397,158	21,929,216	211.58 %	75.23536 %
2019	0.35145 %	47,924,045	23,794,894	201.40 %	76.45733 %
2020	0.34596 %	48,185,863	25,005,967	192.70 %	77.03999 %
2021	0.31152 %	28,408,876	25,712,125	110.49 %	86.50548 %
2022	0.30851 %	55,700,597	22,851,121	243.75 %	75.12034 %

1. Information for the multiple-employer cost-sharing defined benefit pension plan is not available for measurement years prior to the year ended June 30, 2014. As information becomes available, this schedule will ultimately present information for the ten most recent measurement years.

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEVADA
MULTIPLE-EMPLOYER COST-SHARING DEFINED BENEFIT PENSION PLAN
PROPORTIONATE SHARE OF STATUTORILY REQUIRED CONTRIBUTION INFORMATION
FOR THE YEAR ENDED JUNE 30, 2023

For the Year Ended June 30, [1]	Statutorily Required Contributions	Contributions in Relation to the Statutorily Required Contributions	Contribution Excess (Deficiency)	Covered Payroll	Contribution as a Percentage of Covered Payroll
2015	$ 5,191,083	$ 5,191,083	$	$ 19,776,530	26.25 %
2016	5,862,383	5,862,383		20,429,244	28.70 %
2017	6,174,110	6,174,110		21,261,880	29.04 %
2018	6,328,094	6,328,094		21,929,216	28.86 %
2019	6,761,114	6,761,114		23,794,894	28.41 %
2020	7,567,929	7,567,929		25,005,967	30.26 %
2021	6,937,523	6,937,523		25,712,125	26.98 %
2022	6,925,529	6,925,529		22,851,121	30.31 %
2023	7,414,422	7,414,422		28,551,840	25.97 %

1. Information for the multiple-employer cost-sharing defined benefit pension plan is not available for measurement years prior to the year ended June 30, 2015. As information becomes available, this schedule will ultimately present information for the ten most recent measurement years.

General Fund

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023

	Original Budget	Final Budget	Actual	Variance
Revenues				
Property taxes	$ 59,198,000	$ 59,198,000	$ 58,178,706	$ (1,019,294)
Intergovernmental shared revenues	30,000,000	30,000,000	30,142,694	142,694
Charges for services	1,000,000	985,000	1,343,646	358,646
Investment income	50,000	50,000	800,310	750,310
Contributions	210,000	210,000	211,407	1,407
Miscellaneous	600,000	615,000	897,830	282,830
Total revenues	91,058,000	91,058,000	91,574,593	516,593
Expenditures				
Salaries and wages	33,581,019	33,581,019	29,883,986	3,697,033
Employee benefits	14,062,191	14,062,191	12,488,295	1,573,896
Services and supplies	17,199,234	17,199,234	15,918,997	1,280,237
Capital outlay	11,353,000	11,353,000	11,235,569	117,431
Debt service				
Principal payments			94,869	(94,869)
Interest			7,143	(7,143)
Total expenditures	76,195,444	76,195,444	69,628,859	6,566,585
Excess of revenues over expenditures	14,862,556	14,862,556	21,945,734	7,083,178
Subscription software issuance			191,498	191,498
Transfers out	(34,000,000)	(34,000,000)	(34,000,000)	
Total other financing sources (uses)	(34,000,000)	(34,000,000)	(33,808,502)	191,498
Change in fund balance	(19,137,444)	(19,137,444)	(11,862,768)	7,274,676
Fund balance, beginning of year	34,320,569	34,320,569	35,385,966	1,065,397
Fund balance, end of year	$ 15,183,125	$ 15,183,125	$ 23,523,198	$ 8,340,073

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended JUNE 30, 2023

Note 1. Postemployment Benefits Other Than Pensions

For the year ended June 30, 2023, no significant events occurred that affected the measurement of the District's obligation for postemployment benefit other than pensions.

As of the most recent year end, no assets have been accumulated in a qualifying trust in which the assets contributed and earnings thereon are irrevocable, dedicated solely to providing postemployment benefits and legally protected from creditors.

Actuarial information for postemployment benefits other than pensions is not available for measurement years prior to the year ended June 30, 2018. As information becomes available information will be presented for the ten most recent fiscal years.

Additional information related to postemployment benefits other than pensions can be found in Note 4 to the basic financial statements.

Note 2. Multiple-Employer, Cost-Sharing Defined Benefit Pension Plan

For the year ended June 30, 2023, there were no changes in the pension benefit plan terms or significant changes to the actuarial methods and assumptions used in the actuarial valuation report dated June 30, 2022.

Actuarial information for the multiple-employer, cost-sharing defined benefit pension plan is not available for measurement years prior to the year ended June 30, 2014. As information becomes available information will be presented for the ten most recent fiscal years.

Additional pension plan information can be found in Note 4 to the basic financial statements.

Note 3. Budget Information

The accompanying required supplementary schedule of revenues, expenditures and changes in fund balance presents the original adopted budget, the final amended budget and actual general fund data. The original budget was adopted on a basis consistent with the Las Vegas-Clark County Library District's (the District) financial accounting policies and accounting principles generally accepted in the United States. All amendments made to the original budget were as prescribed by law and similarly consistent.

Additional budgetary information can be found in Note 2 to the basic financial statements.

Other Supplementary Information

Major Governmental Funds

Major
Capital Projects Funds

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

MAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

Capital projects funds are used to account for financial resources that are restricted, committed or assigned to the improvement, acquisition or construction of capital assets.

Capital Projects

Accounts for financial resources that are restricted, committed or assigned to the improvement, acquisition or construction of capital assets.

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023

	Original Budget	Final Budget	Actual	Variance
Revenues				
Investment income	$ 150,000	$ 150,000	$ 510,789	$ 360,789
Expenditures				
Services and supplies	6,481,674	5,804,300	2,903,132	2,901,168
Capital outlay	5,210,547	5,887,921	2,815,759	3,072,162
Total expenditures	11,692,221	11,692,221	5,718,891	5,973,330
Deficiency of revenues under expenditures	(11,542,221)	(11,542,221)	(5,208,102)	6,334,119
Proceeds from capital asset disposal			3,216,378	3,216,378
Transfers in	34,000,000	34,000,000	34,000,000	
Total other financing sources (uses)	34,000,000	34,000,000	37,216,378	3,216,378
Change in fund balance	22,457,779	22,457,779	32,008,276	9,550,497
Fund balance, beginning of year	22,945,083	22,945,083	23,953,321	1,008,238
Fund balance, end of year	$ 45,402,862	$ 45,402,862	$ 55,961,597	$ 10,558,735

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Non-major Governmental Funds

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2023

	Non-major Special Revenue Funds	Non-major Debt Service Fund	Non-major Permanent Fund	Total Non-major Governmental Funds
Assets				
Cash and cash equivalents, unrestricted	$ 1,267,804	$ 593,703	$ 10,000	$ 1,871,507
Taxes receivable		12,618		12,618
Due from other governments	588,736			588,736
Due from other funds	410,788			410,788
Other assets	16,333			16,333
Cash and cash equivalents, restricted	253,221			253,221
Total assets	$ 2,536,882	$ 606,321	$ 10,000	$ 3,153,203
Liabilities				
Accounts payable	$ 91,689	$	$	$ 91,689
Payroll and benefits payable	11,025			11,025
Due to other funds	128,037			128,037
Unearned revenue	9,583			9,583
Total liabilities	240,334			240,334
Deferred inflows of resources				
Unavailable revenue, property taxes		12,618		12,618
Total liabilities and deferred inflows of resources	240,334	12,618		252,952
Fund balances				
Nonspendable				
Permanent fund principal			10,000	10,000
Restricted for				
Debt service	1,260,026			1,260,026
Grant programs	360,539			360,539
Other purposes	675,983			675,983
Assigned to				
Debt service		593,703		593,703
Total fund balances	2,296,548	593,703	10,000	2,900,251
Total liabilities, deferred inflows of resources and fund balances	$ 2,536,882	$ 606,321	$ 10,000	$ 3,153,203

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2023

	Non-major Special Revenue Fund	Non-major Debt Service Fund	Non-major Permanent Fund	Total Non-major Governmental Funds
Revenues				
Property taxes	$	$ 18	$	$ 18
Intergovernmental shared revenues	1,469,701			1,469,701
Investment income	1,190			1,190
Contributions	371,766			371,766
Miscellaneous	432,925	10		432,935
Total revenues	2,275,582	28		2,275,610
Expenditures				
Current				
Culture and recreation	1,241,250			1,241,250
Capital outlay				
Culture and recreation	540,957			540,957
Debt service				
Interest	296,367			296,367
Total expenditures	2,078,574			2,078,574
Excess of revenues over expenditures	197,008	28		197,036
Change in fund balance	197,008	28		197,036
Fund balance, beginning of year	2,099,540	593,675	10,000	2,703,215
Fund balance, end of year	$ 2,296,548	$ 593,703	$ 10,000	$ 2,900,251

Non-major Special Revenue Funds

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

NON-MAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

Special revenue funds are used to account for financial resources that are restricted or committed to specific purposes other than debt service and capital projects.

Grant
Accounts for revenues and expenditures of monies received from federal and state grants.

Gift
Accounts for the collection and expenditures of gifts restricted for specific purposes.

QALICB
Accounts for loan proceeds and lease income to be used for the acquisition and leasing of real or personal property that is subject to certain restrictions and limitations in furtherance of the District's operations.

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2023

	Grant Fund	Gift Fund	QALICB Fund	Total Non-major Special Revenue
Assets				
Cash and cash equivalents, unrestricted	$	$ 653,477	$ 614,327	$ 1,267,804
Due from other governments	588,736			588,736
Due from other funds		24,060	386,728	410,788
Other assets			16,333	16,333
Cash and cash equivalents, restricted			253,221	253,221
Total assets	$ 588,736	$ 677,537	$ 1,270,609	$ 2,536,882
Liabilities				
Accounts payable	$ 90,135	$ 1,554	$	$ 91,689
Payroll and benefits payable	11,025			11,025
Due to other funds	127,037		1,000	128,037
Unearned revenue			9,583	9,583
Total liabilities	228,197	1,554	10,583	240,334
Fund balances				
Nonspendable				
Restricted for				
Debt service			1,260,026	1,260,026
Grant programs	360,539			360,539
Other purposes		675,983		675,983
Total fund balances	360,539	675,983	1,260,026	2,296,548
Total liabilities, deferred inflows of resources and fund balances	$ 588,736	$ 677,537	$ 1,270,609	$ 2,536,882

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2023

	Grant Fund	Gift Fund	QALICB Fund	Total Non-major Special Revenue
Revenues				
Intergovernmental shared revenues	$ 1,469,701	$	$	$ 1,469,701
Investment income			1,190	1,190
Contributions		371,766		371,766
Miscellaneous			432,925	432,925
Total revenues	1,469,701	371,766	434,115	2,275,582
Expenditures				
Current				
Culture and recreation	957,959	190,260	93,031	1,241,250
Capital outlay				
Culture and recreation	511,742	29,215		540,957
Debt service				
Interest			296,367	296,367
Total expenditures	1,469,701	219,475	389,398	2,078,574
Excess of revenues over expenditures		152,291	44,717	197,008
Change in fund balance		152,291	44,717	197,008
Fund balance, beginning of year	360,539	523,692	1,215,309	2,099,540
Fund balance, end of year	$ 360,539	$ 675,983	$ 1,260,026	$ 2,296,548

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

GRANT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023

	Original Budget	Final Budget	Actual	Variance
Revenues				
Intergovernmental shared revenues	$ 6,000,000	$ 6,000,000	$ 1,469,701	$ (4,530,299)
Expenditures				
Salaries and wages	480,000	693,139	666,655	26,484
Employee benefits	210,000	210,000	184,819	25,181
Services and supplies	2,260,000	2,046,861	106,485	1,940,376
Capital outlay	3,050,000	3,050,000	511,742	2,538,258
Total expenditures	6,000,000	6,000,000	1,469,701	4,530,299
Excess (deficiency) of revenues over (under) expenditures				
Change in fund balance				
Fund balance, beginning of year	157,031	157,031	360,539	203,508
Fund balance, end of year	$ 157,031	$ 157,031	$ 360,539	$ 203,508

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

GIFT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023

	Original Budget	Final Budget	Actual	Variance
Revenues				
Contributions	$ 1,900,000	$ 1,900,000	$ 371,766	$ (1,528,234)
Miscellaneous	100,000	100,000		(100,000)
Total revenues	2,000,000	2,000,000	371,766	(1,628,234)
Expenditures				
Salaries and wages		100,000		100,000
Services and supplies	1,900,000	900,000	190,260	709,740
Capital outlay	100,000	1,000,000	29,215	970,785
Debt service				
Total expenditures	2,000,000	2,000,000	219,475	1,780,525
Excess of revenues over expenditures			152,291	152,291
Change in fund balance			152,291	152,291
Fund balance, beginning of year	457,328	457,328	523,692	66,364
Fund balance, end of year	$ 457,328	$ 457,328	$ 675,983	$ 218,655

Non-major Debt Service Funds

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

NON-MAJOR DEBT SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

Debt service funds are used to account for the accumulation of financial resources that are restricted, committed or assigned to the repayment of debt principal and interest.

Debt Service
Accounts for revenues that are restricted, committed or assigned to the repayment of debt principal and interest.

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023

	Original Budget	Final Budget	Actual	Variance
Revenues				
Property taxes	$	$	$ 18	$ 18
Investment income	10,000	10,000		(10,000)
Miscellaneous			10	10
Total revenues	10,000	10,000	28	(9,972)
Expenditures				
Services and supplies	10,000	10,000		10,000
Excess of revenues over expenditures			28	28
Change in fund balance			28	28
Fund balance, beginning of year	601,231	601,231	593,675	(7,556)
Fund balance, end of year	$ 601,231	$ 601,231	$ 593,703	$ (7,528)

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Non-major Permanent Funds

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

NON-MAJOR PERMANENT FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

Permanent funds are used to account for financial resources that are legally restricted to the extent that only earnings, and not principal, may be used to support the District's programs.

Permanent
Accounts for revenues that are restricted such that the earnings may only be used to purchase library media materials.

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

PERMANENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023

	Original Budget	Final Budget	Actual	Variance
Change in fund balance	$	$	$	$
Fund balance, beginning of year	10,000	10,000	10,000	
Fund balance, end of year	$ 10,000	$ 10,000	$ 10,000	$

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HINTON BURDICK
CPAs & ADVISORS

Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

The Executive Director and Board of Trustees
Las Vegas-Clark County Library District

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Las Vegas-Clark County Library District (the District), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated October 23, 2023.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies; and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

HintonBurdick, PLLC
Mesquite, Nevada
October 23, 2023

Single Audit Information

HINTON BURDICK
CPAs & ADVISORS

**Independent Auditors' Report on
Compliance for Each Major Federal Program and
Report on Internal Control over Compliance
in Accordance with the Uniform Guidance**

The Executive Director and Board of Trustees
Las Vegas-Clark County Library District

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Las Vegas-Clark County Library District's (the District) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2023. The District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the District's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance, but is not absolute assurance; and therefore, is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

HintonBurdick, PLLC
Mesquite, Nevada
October 23, 2023

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LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023

Federal Grantor/Pass-through Entity/Cluster or Program Title	Assistance Listing Number	Pass-through Entity Identifying Number	Amount Passed Through to Subrecipients	Total Federal Expenditures
Institute of Museum and Library Services				
Passed-through State of Nevada, Library, Archives and Public Records, Department of Administration				
Grants to States	45.310	APR-32 LVCCLD	$	$ 234,000
Grants to States	45.310	2022-02		75,000
Grants to States	45.310	CAGML-248449-OMLS-21		15,087
Queens Borough Public Library				
Museum Grants for African American History and Culture	45.309	MH-252552-0MS-22		6,500
Total Institute of Museum and Library Services				330,587
U.S. Department of Education, Office of Vocational and Adult Education				
Passed-through State of Nevada, Department of Education				
Adult Education, Basic Grants to States	84.002	23-608-32000		928,037
Total U.S. Department of Education, Office of Vocational and Adult Education				928,037
Total federal expenditures			$	$ 1,258,624

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the Las Vegas-Clark County Library District (the District) under programs of the federal government for the year ended June 30, 2023. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to, and does not, present the financial position, or changes in net assets, or cash flows of the District.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts, if any, shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

Note 3. Indirect Cost Rate

The District has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2023

Section I - Summary of Auditors' Results

Financial Statements	
Type of auditors' report issued	Unmodified
Internal control over financial reporting	
Material weaknesses identified	No
Significant deficiencies identified that are not considered to be material weaknesses	None reported
Noncompliance material to financial statements	No
Federal Awards	
Internal control over major programs	
Material weaknesses identified	No
Significant deficiencies identified that are not considered to be material weaknesses	None reported
Type of auditors' report issued on compliance for major programs	Unmodified
Audit findings required to be reported in accordance with 2 CFR 200.516(a)	No
Identification of major programs	
CFDA number	84.002
Name of federal program or cluster	Adult Education, Basic Grants to States
Dollar threshold used to distinguish between Type A and Type B programs	$750,000
Auditee qualified as low-risk auditee	Yes

Section II - Financial Statement Findings	
Internal control over financial reporting	No internal control matters noted
Compliance and other matters	
Compliance	No compliance items noted
Other matters	No other matters noted
Section III - Federal Award Findings and Questioned Costs	
Internal control over federal awards	No internal control matters noted
Compliance and other matters	
Compliance	No compliance items noted
Other matters	No other matters noted
Section IV - Summary Schedule of Prior Findings	No prior year federal award findings or questioned costs reported

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